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# THE INDEPENDENT

No 3,390

MONDAY 23 JUNE 1997

WEATHER: Scattered showers

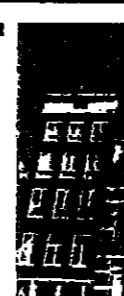
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**Media+** 11 PAGES OF APPOINTMENTS  
**THE APPLE OF RUPERT MURDOCH'S EYE**



**DEBORAH ROSS INTERVIEW**  
**ILIE NASTASE:**  
**'WOMEN SAY TO ME, OH BABY, YOU GOOD'**



**Short breaks in Amsterdam or Antwerp**  
WITH BRITISH AIRWAYS  
NO TOKEN COLLECT

## Defiant activists to fight Blair on reforms

Fran Abrams and Barrie Clement

Tony Blair is facing his first big challenge from his own party since he came to power. The Labour leader will clash with up to half of the party's constituencies over the next phase of his modernisation project.

Party leaders are determined to press ahead with proposals designed to sideline Labour's left wing and neuter internal strife, despite calls for them to be postponed. The decision will cause a row at this autumn's conference, marring planned victory celebrations.

Both local parties and trades unions will oppose moves to push the plans through this year, and will try to stall them until late 1998. Party officials be-

activists which dominated policy-making in the past. The party will also continue its push for new members – a move partly aimed at marginalising the stalwarts of the left.

These measures are taking the 'One Member One Vote' reforms right to the heart of the party, one enthusiast said last week, referring to changes brought in by John Smith to modernise the selection of MPs.

Opponents of the measures argue, though, that the plans to muzzle the left will take power from the grassroots of the party, rather than increasing it.

Between a third and a half of constituents are believed to feel they have not had enough time to consider the proposals. Although they were published in February, all normal party business was suspended that month in the run-up to the general election.

Among them is Brent East constituency of the left-wing MP Ken Livingstone, a long-time critic of the proposals. "My party were unanimous in wanting this deferred, because they didn't think there was any possibility of any serious consideration in such a rushed manner after the election," he said.

The document is also encountering opposition from union affiliates, which presently hold half the votes at the annual conference. While unions are publicly emphasising their support of the broad thrust of the document, they have a number of serious concerns.

The three biggest affiliates, the GMB, the TGWU and Unison, which together account for more than a third of the votes, are particularly angry about plans to deprive them of the ability to table motions at the annual conference, outside an agenda set by the Joint Policy Committee.

All three organisations will seek to put pressure on the Labour leadership to make concessions on the content of the document. There will also be calls for a substantial debate on the issue, which Tony Blair may be keen to avoid.

A GMB statement attacks the existing National Policy Forum for creating an atmosphere of "mistrust and suspicion" and argues that it is surrounded by a "growing crisis of accountability".

Last night a Labour spokesman said he had not heard that there was widespread opposition, though he added that in some areas members were saying they wanted more time to discuss the issues.

"There is no question of putting this off until next year. When we have got the consultative process completed we are going to have to put together a document which unites the responses."

Ms Scott was Mr Aitken's secretary

ieve that, if this succeeds, part of the two-year programme could be lost in the run-up to the next general election.

After weeks of Conservative agonising over the effectiveness of Labour's modernising project, news of the divisions will be particularly irksome to the Government.

The dissent has arisen over the "Labour into Power" project, on which local parties and unions have until the end of next week to comment.

The project aims to prevent a recurrence of the rows which beset the Labour government in the 1970s. If it goes ahead, it will remove left-wingers from the National Executive Committee and place the onus on committee members to support the Government.

Ministers will be put formally at the head of the policy-making process, through a new high-level Joint Policy Committee, chaired by Tony Blair and John Prescott. Conference rows will be averted by making the event mainly a "showcase" for policies, rather than a genuine debating chamber.

Key decisions will take place in regional "policy forums" designed to attract members outside the band of

MPs who will stop selling weapons to Indonesia, weapons which are used for human rights violations."

In an interview with *The Independent* in his guarded hospital room in Jakarta, Mr Pakpahan appealed to Britain to apply pressure for his release and to provide aid only to projects which contain guarantees of human rights.

*The Independent* has learned that a senior delegation of military officers, led by General Feisal Tanjung, Commander in Chief of the Indonesian Armed

Forces, hopes to visit Britain for official talks. The question of arms sales is very likely to be raised.

Such contracts, although lucrative, would be controversial, especially given the promise made by the Foreign Secretary, Robin Cook, that "the Labour Government will put human rights at the heart of our foreign policy". Britain has already supplied Hawk fighters, which human rights campaigners contend have been used against the people of East Timor. The manufacturer,

British Aerospace, denies this.

"Please link diplomatic aid to human rights," Mr Pakpahan said. "Make it a condition that they allow freedom of association to trade unions."

He has been in detention since last July, when he was accused by military officers, including General Tanjung, of "masterminding" pro-democracy riots which rocked Jakarta. These charges were quickly dropped but, along with 14 other democracy activists, Mr Pakpahan has been tried for the capital crime of subversion.

His trial has been suspended since March, when he became seriously ill after suffering a stroke and appendicitis. He has a tumour on his lung, but his requests to travel abroad for treatment have received no official response.

Support for Mr Pakpahan and for his trade union, the Indonesian Prosperous Workers' Union (SBSI), has been expressed internationally, and he has met officials from the US, France, Germany, Australia and other countries. "Of all the major powers, Britain is the only

one with which we don't have close relations."

Indonesia is the world's fourth biggest beneficiary of British aid, with £57m last year. Aides to Clare Short, the new Secretary of State for International Development, have reassured supporters of Mr Pakpahan that Labour policy towards Indonesia will change. "But there hasn't been anything concrete," said one campaigner in London. "We wrote to Robin Cook about Muchtar three weeks ago. So far we haven't had a reply."

she is known as one of hunger, poverty and disease. But by the time she has children of her own, this could be a very different story.

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## Britain urged to halt Indonesia arms trade

Richard Lloyd Parry

Indonesia's most prominent prisoner of conscience has called on Tony Blair to stop arms sales to his country, amid plans for a high-level visit to Britain by a group of Indonesian generals.

"As Prime Minister and leader of the Labour Party, I hope that Tony Blair will give serious attention to the problems in Indonesia, including the labour situation," imprisoned trade union leader Muchtar Pakpahan said. "I

hope that he will stop selling weapons to Indonesia, weapons which are used for human rights violations."

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Peafowl row

Four suicides have thrown into question the methods of the French gendarmerie and judiciary after dawn raids on over 600 suspected consumers of child pornography. Page 10

Poison treatment

A lethal poison developed for chemical warfare, botulinum toxin, is being tested as a treatment to help children who suffer from cerebral palsy to walk. Page 6

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## news

## significant shorts

**Minister admits beef ban may last another year**

The European ban on British beef might still be in place in a year's time, Jack Cunningham, the Agriculture Minister said yesterday. Dr Cunningham said he could not put a date on when the ban might be lifted but said it was likely that it would be done in a piecemeal way.

The minister, speaking on BBC TV's *On The Record*, also said there would be a fundamental shake-up at the Ministry of Agriculture, Fisheries and Food, but stressed that it would not be abolished altogether. Dr Cunningham said that fixing a date for a lifting of the ban imposed on British beef in the wake of the BSE scare would "not be sensible, it wouldn't be rational".

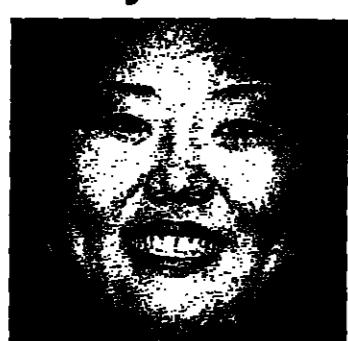
Asked whether the ban could still be in place a year from now, Dr Cunningham replied: "That is possible. And indeed the idea that the whole of the ban may be lifted in one go is also something we may need to ask questions about."

**New pointer to fate of saint's body**

Fresh evidence has emerged that the bones of England's greatest saint, Thomas Becket, are secretly buried at Canterbury Cathedral, it was revealed yesterday.

A former canon, Julian Bickersteth, told his godson Cecil Humphrey-Smith, that he and three other men cut into a stone slab in the 1940s to confirm their suspicions that it covered Becket's unmarked grave.

Becket was Archbishop of Canterbury for eight years until he was murdered in 1170 by four knights from the court of Henry II with whom he had quarrelled. At the Reformation, Henry VIII wanted his memory erased from the cathedral.

**Factory worker wins operatic prize**

A Peking factory worker turned soprano has won the Singer of the World competition, which was held in Cardiff on Saturday.

Guang Yang, 26, (pictured) won £10,000 in the contest, as well as appearances at a London recital and concert engagements. Until 1991, Ms Guang worked in a factory, with colleagues standing in for her so she could attend singing lessons. She began formal voice-training and went on to win honours in Paris and Japan.

**Clean up your act, Britain tells US**

Tony Blair is leading the fight against the build-up of greenhouse gases at a crucial world environment summit today – and is attempting to force the Americans to follow suit. The Prime Minister will urge the US and other developed nations to do the same as Britain and crack down on dangerous emissions in the battle to slow climate change.

Britain's tough message was reinforced by Robin Cook, the Foreign Secretary, who warned that future generations of Americans would suffer unless the US made substantial cuts in greenhouse gas emissions. On the eve of the UN Earth Summit Two in New York, Mr Cook said: "Instead of cutting its carbon dioxide emissions, America continues to increase it. The biggest single problem is that the American public has not yet grasped that if it continues with its present lifestyle, then it's going to make it impossible for its children or grandchildren to enjoy the kind of environment ... that Americans have today."

**BA calls in temps after strike threat**

British Airways has appointed the Manpower recruitment agency to employ hundreds of casual labour workers to cover any possible strike action taken by disgruntled staff. The airline is currently embroiled in two separate industrial disputes on pay restructuring and long haul flight catering contracts. Any strike action, likely to start in mid-July, could severely disrupt the peak holiday season.

A spokesman for BA said the company "obviously must ensure contingency plans" are in place to protect customers' interests. It has asked the agency to employ 600 staff for aircraft ramp operations at Heathrow airport.

## THE INDEPENDENT ABROAD

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Cyprus C120 Malta. 43 cents  
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## people



Mrs Ronnie Biggs (centre) with son Michael and his girlfriend. (Photograph: Steve Morgan)

**It's time to face the music, says train-robbing Biggs**

**G**rand Theft Robber Ronnie Biggs yesterday admitted he was "too old" to run from British justice any longer, as an extradition treaty with Brazil moved a step closer.

The 67-year-old fugitive said: "I'm too old to go running any longer, and I'm not going to disappear."

"If I have to return to jail, so be it. I don't fancy such a prospect, but if that's the way the coin is going to drop, then I'm going to have to face it."

He was speaking as it was reported that an extradition treaty between the two countries could be just a few weeks away.

A Home Office spokesman declined to comment on the timetable for the treaty, but said: "It is in the process of being ratified at the moment. Once ratification has taken place, a decision can be taken on whether to request the extradition of Mr Biggs."

After hearing the latest developments, Biggs said: "Nobody knows when the treaty is going to be ratified and until there is a definite request for my return, I can't have a view on where I stand."

"It's been going on since my son was 18, and I've learned to live with it."

**Clarke tipped to front Forest flotation**

Defeated in his attempt at the Tory leadership, the former chancellor Kenneth Clarke has been offered the job of floating his favourite football club, Nottingham Forest, on the stock market, it emerged yesterday.

Mr Clarke, a lifelong Forest fan, has been in talks with the club's owner, Nigel Wray, with a view to becoming chairman of the holding company, ahead of flotation later this year. He would be in charge of the business of Nottingham Forest Plc, rather than the club's football arm.

Mr Clarke has followed the fortunes of Forest since his grandfather took him there as a schoolboy and he has attended matches throughout his political career.

Larry Lloyd, a former player and now the club's press officer, said the move would not affect the position of the club's current chairman, Irving Korn. "Who better to be chairman of Nottingham Forest PLC than the former Chancellor of the Exchequer?" he said.



It is an opportunity for Mr Clarke, who is returning to the backbenchers after losing his £103,000-a-year Cabinet job on 1 May, to boost his backbench salary of £43,000.

However, Mr Clarke told the *Express* on Sunday newspaper: "I have not had serious discussions about this. I have not decided what I will be doing in the future."

Self-made Mr Wray, 48, who also owns the Saracens rugby club, is out of the country and was unavailable for comment.

*Jojo Moyes*

**Fry tells of his lowest moment**

The actor and writer Stephen Fry is to disclose how he came within a second of turning on his car ignition and trying to kill himself with exhaust fumes. The admission comes during an interview for BBC Radio 4's *In The Psychiatrist's Chair*, to be broadcast next Sunday.

On the programme and in his memoirs, to be published in October, Fry will explain how close he came to committing suicide after he fled the play *Cell Mates* two years ago, because of depression. He says it was only a vision of his parents that prevented him from going through with it.

He tells the psychiatrist Dr Anthony Clare: "I had my hand on the key and a duvet cover around the car door so the exhaust fumes would be kept in. I was deeply, deeply unhappy and lonely."

Fry, who later this year will appear as Oscar Wilde in the film *Wilde Life*, which is already drawing rave reviews at previews, explains how he felt he had "no right" to be unhappy, particularly as people kept telling him how successful he was.

## briefing

## HEALTH

**GPs ill-prepared for patients with learning difficulties**

People with learning disabilities are getting a worse service from their GPs, despite needing more medical care than the average patient. Nearly six out of 10 GPs questioned for a survey for the charity Mencap could not identify all their patients with learning disabilities, and four out of five said that their health care needs were less well met.

Poor communications, low expectations of GP services and bad past experiences meant that those with learning disabilities made a lower than average number of visits to their GPs – despite having greater than average medical needs. As a result, large numbers of people with learning disabilities went for long periods without simple check-ups, such as hearing tests.

Only 15 per cent of GPs had received formal training in dealing with learning disabilities. The result was that between a third and a half of patients said that they did not understand what the doctor said in consultations, and eight out of 10 felt their GP did not spend enough time with them.

Glenda Cooper

## MEDICINE

**'Super aspirin' for post-op care**

A new kind of "super-aspirin" can dramatically reduce the risk of complications and death, following one of the latest types of heart surgery, a study has shown.

About 40 per cent of patients needing heart surgery now have a procedure called angioplasty, which involves opening up a blocked artery with a tiny balloon or metal mesh tube. The alternative is a bypass operation, in which surgeons open up the chest and insert a vein to re-route the blood supplying the heart around the blocked vessel.

At present the risk of having a heart attack, dying, or needing further surgery in the 30 days after angioplasty is 11.7 per cent. But the new research has shown that the risk drops to between 5.2 per cent and 5.4 per cent when patients are given the "super-aspirin" Reopro in conjunction with the anti-coagulant drug heparin.

The findings, from a study in the US and Canada, were published last week in the *New England Journal of Medicine*.

## TRANSPORT

**Older drivers shouldn't be penalised**

Older drivers must be helped to continue driving safely, not forced off the road by legislation, according to a report published today. Europe's population of drivers over the age of 65 is growing by 1.4 per cent a year, faster than any other age group, according to the AA Foundation for Road Safety Research.

"Older drivers are undeniably at greater risk than younger drivers, but this is because they are more susceptible to injury, not because they are involved in more accidents," says the author, Geoff Maycock.

Mr Maycock added that there was no reason to legislate against older drivers because age in itself is no guide to driving ability.

"But there is a strong case for devising ways of helping older people to continue to drive safely for as long as possible."

## PAY

**Warning on minimum wage**

A minimum wage would "significantly reduce" employment, the Government is warned today, in a series of articles by economists. The articles, published in the *Journal of the Institute of Economic Affairs*, point to evidence in other countries.

Professor Walter Oi, an American labour economist, writes: "A policy that can raise the wages of those at the bottom of the wage ladder with no job losses is remarkable. It rivals a perpetual motion machine or alchemy," he said.

The professor argued that fringe benefits, such as training, could be reduced by a minimum wage. "Minimum wage laws can raise cash wages, but the consequences are fewer jobs and a deterioration of the utilitarian value of the job package."

The Government is setting up a Low Pay Commission to take evidence from unions and employers, over the next year, on what level a minimum wage should be set.

## DAILY POEM

**Making the Angels**

By Imtiaz Dharker

*A tumbling of angels;  
A frenzy of wings, churning air,  
turning the world  
on a rare somersault;  
sounds stripped bare  
on the clatter of stars that spin  
against the web of night,  
brightness-torn. This  
is a time to be born.*

*This, the maker's moment of play.  
Today, he says, "I will make  
angels." And there  
they are, triumphant, air-  
tossed, a little breathless,  
sun-trapped in their hair  
and wings as they struggle to fly:  
A host of fledgling angels, spot  
like grape-seed, out  
of a newmade, unsuspecting sky.*

Imtiaz Dharker was born in Lahore, grew up in Glasgow and now works as a documentary film-maker in Bombay. *Postcards from God* (Bloodaxe Books, £8.95) combines work from two collections first published in India, and is illustrated with her own drawings.

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مكتبة من الأصل

**The Aitken aftermath** Middle Eastern associates melt away as ex-minister loses place on Privy Council

# Disgraced at home, deserted abroad

Kim Sengupta

Away from the deluge of contempt and condemnation unleashed by his humiliating libel defeat, Jonathan Aitken is desperately trying to cling on to his lifeboat, the Saudi connection. But the former Chief Secretary to the Treasury and Defence procurement minister is now just a source of embarrassment and a liability to his former Middle-Eastern commercial partners and they are melting away, say Arab sources.

The future looks grim for Mr Aitken. The *Guardian* is sending material to Scotland Yard over allegations that the former minister committed perjury and attempted to pervert the course of justice. A police investigation is due to start later this week under a senior officer from the yard's Specialist Operations section. The maximum sentence for perjury is seven years, while for perversions of the course of justice it is life imprisonment and, or, a fine.

He faces the further humili-

ation of being struck off from the list of Privy Councillors, only the second man this century to be so, after Sir Edgar Speyer who was convicted of collaborating with the Germans during the First World War. Senior Privy Councillors have asked him privately to step down to spare the Queen embarrassment.

One political colleague who defended him on the day of trial collapse is having second thoughts.

Tory MP and diarist Alan Clark said: "I wouldn't have been so generous in defending Mr Aitken if I had been aware of the way he used his daughter during the trial".

Mr Aitken had produced a statement from daughter, Victoria, in court to back his false account regarding the notorious Paris Ritz stay.

Mr Aitken is believed to have left the country at the end of last week as his lawyers announced his withdrawal from the libel action against The *Guardian* and Granada TV.

His mother said yesterday

that he has gone to America planning a book about his downfall, and would write it in the near future at her home in Ibiza. But, it is believed, he has also placed a series of calls to his former Arab business partners in Riyadh.

One source claimed: "There have been expressions of sympathy from the Saudis about what has happened to him. But that is a long way from resuming the kind of close business

links they had in the past. His position then got him the fat deals; his position now means he will no longer open doors in London, but have them shut in his face."

His Saudi friends will also have to be very careful. There is always jockeying for political and financial power at the Saudi court, and rival factions will seize on just how much damage Mr Aitken has caused the reputation of the Royal Family.

Two of Mr Aitken's closest business associates, Prince Mohammed, son of the Saudi King, and Said Ayas, are believed to be in Riyadh. Mr Aitken was director of Al-Bilad a company owned by the Prince until he became a minister. During his stay at the Paris Ritz hotel in September 1993 the then Defence Procurement minister met Mr Ayas while the Prince, through an assistant, paid the bill for his stay. Accepting Saudi hos-

pitality was a breach of guidelines on ministerial conduct.

Syrian-born Wafic Said, was also an important contact. But Mr Said, who has become Oxford University's biggest post-war benefactor, with a gift of £20m for a business school, is also said to be keen to distance himself from Mr Aitken.

If the defamation case had continued, further details embarrassing to the Saudis were due to aired regarding arms

trading. The court would have been told that on 10 September 1993 Mr Aitken received a letter at his MoD office from Lord Justice Scott's inquiry. The judge was investigating allegations, obtained by British intelligence, that powerful Saudis were involved in secret deals diverting weapons to Iraq. It also mentioned allegations of his own involvement. Within days, Mr Aitken had also been supported with more than £15m from Wafic Said.

Photograph: Rex

Happy family? The Aitkens at home. Alan Clark yesterday said he regretted the way in which Aitken's daughter Victoria was used in the trial

**Jojo Moyes** on the shame of dismissal from the Queen's inner circle

The former Cabinet minister Jonathan Aitken is likely to be struck off the Privy Council, a fate previously suffered only by a convicted spy, a procurer of call girls and a man who faked his own death to avoid fraud charges.

Privy Council sources said yesterday that they were "examining the procedures" by which Mr Aitken could be removed from the Queen's inner circle of advisers. The sanction, which would involve stripping him of his title "Right Honourable", has not been employed for 75 years.

Last week Mr Aitken dropped his libel case against the *Guardian* newspaper and Granada Television after evidence emerged which proved he had lied under oath, and may have persuaded his teenage daughter to do the same. The decision to consider his position on the Privy Council is a clear indicator of the severity with which Mr Aitken's behaviour has been viewed in establishment circles.

The appointment is usually held for life

and he would become only the second person this century to be struck off; the first being Sir Edgar Speyer, a financier, prominent philanthropist and friend of the Liberal Prime Minister Herbert Asquith. Sir Edgar's appointment, along with his naturalisation from American citizenship was revoked in 1921 after he was convicted of collaborating with the Germans during the First World War.

Only two other ministers have resigned from the council this century and the degree and enduring nature of their public disgrace will also serve as an uncomfortable reminder to Mr Aitken.

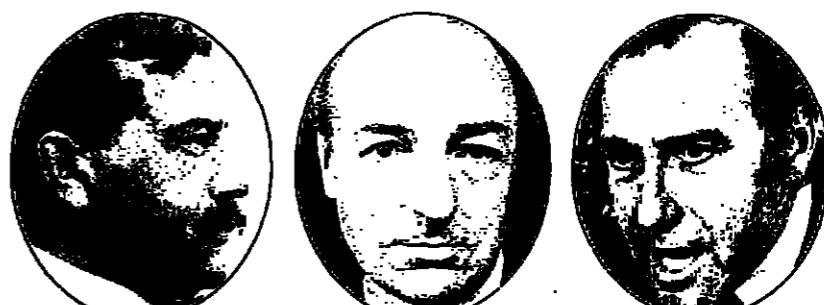
The actions of former Tory minister John Profumo, whose name became a byword for political sex scandals, led to an addition in *Eskine May's Parliamentary Practice*, the parliamentarians' bible: "In 1963, the House resolved that, in making a personal state-

ment which contained words which he later admitted not to be true, a former member had been guilty of a grave contempt." Mr Profumo, the war minister, had denied sleeping with Christine Keeler, a prostitute, but later admitted lying to the House.

The other, Labour MP John Stonehouse, became an equally fabled liar. Desperate for money and the love of his mistress, Sheila Buckley, he faked his own death to profit from insurance policies. His apparent suicide off Miami Beach was so convincing that it elicited thousands of messages of sympathy from the public and MPs held a minute's silence in the House of Commons. He began a new life in Australia but was discovered, brought back to Britain and jailed. The judge, Mr Justice Ewelegh, called him "a sophisticated and skilful confidence trickster".

Only the Queen has the power to strip a Privy Counsellor of his office, which is granted for life, on the advice of the Privy Council itself. "We are looking at what the procedures are," a senior Privy Council source said yesterday.

Appointment to the largely ceremonial post is seen as a great honour. Sources said yesterday that Mr Aitken was likely to be given a "decent interval" of time to make up his mind whether to offer his resignation.



Struck off: Sir Edgar Speyer (left), John Profumo and John Stonehouse

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CYPRUS (TURKISH)	67.45	31	54%	SOUTH AFRICA	101.66	38	63%
EGYPT	126.34	60	53%	SRI LANKA	133.25	70	48%
GEORGIA	101.66	44	57%	SL LUCIA	77.97	40	49%
GHANA	131.19	52	60%	THAILAND	108.10	54	50%
GUINEA	135.22	70	48%	TURKEY	67.45	26	61%
HONG KONG	68.78	29	58%	UAE	101.66	50	51%
INDIA	119.85	55	54%	URUGUAY	131.19	60	54%
IRELAND	22.89	16	30%	USA	23.62	10	58%
ISRAEL	79.45	38	52%	USSR (Russia)	79.45	40	50%
JAMAICA	77.97	40	48%	VENUEZUELA	131.19	60	54%



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## Labour's celebrity followers rally to the hunting horn



Pressing for choice: Leave Country Sports Alone campaigners include, clockwise from top left, Melvyn Bragg, John Mortimer, Sir David Puttnam and Sir Jeremy Isaacs. The group will be lobbying hard against the Private Member's Bill tabled last week by Michael Foster, who is calling for a ban on all hunting with hounds

Kathy Marks

Friedrich Engels, co-author of *The Communist Manifesto*, had no qualms about riding out with the Cheshire Hunt while studying the conditions of the English working class.

His ideological heirs in today's Labour Party see things differently. But while opposition to hunting is now common currency among most left-wingers, a celebrity-studded group of Labour supporters is preparing to defend it to the hilt.

These are people who see no reason why a passion for social justice should preclude the pleasure of pursuing small mammals across the countryside. They include John Mortimer, the barrister and novelist, Sir David Puttnam, the film director, Sir Jeremy Isaacs, former director of the Royal Opera House, and Melvyn Bragg, the broadcaster.

Three years ago they founded their own pressure group,

Leave Country Sports Alone, of which Mr Mortimer's wife, Penelope, is secretary. Over the coming months they plan an intensive lobbying in the House of Commons to dissuade MPs from backing a Private Member's Bill that would outlaw all forms of hunting with hounds.

Some of these prominent figures, such as Baroness Mallalieu, the QC and Labour peer, ride out regularly with local hunts; others, such as Mr Bragg, would not be seen dead in a red coat and white breeches. All are sceptical about the arguments of the abolitionists and believe it would be misguided to legislate country sports out of existence.

In contrast to the British Field Sports Society, which has always been closely associated with the Conservative Party, this group is a forum for Labour sympathisers. Its founders felt that Labour was in thrall to the animal rights lobby and should

be reminded that the debate does not necessarily divide along class lines.

The issue has been given new urgency by the Bill tabled by Michael Foster, MP for Worcester, last week. It has already received the private support of the Government, which has indicated that it may assist its passage through parliament.

The pro-hunting campaign, meanwhile, will acquire momentum next month, when up to 100,000 field sports enthusiasts and rural workers from all over the country converge on London for a mass rally in Hyde Park.

Lady Mallalieu, chairman of Leave Country Sports Alone, is to give a keynote speech at the rally. She says support for the group is growing rapidly among grassroots Labour members. "A lot of people who neither hunt, shoot nor fish take the view that in a free society, provided these sports are properly regu-

lated, it should be a matter of individual choice whether you take part or not," she said.

"They believe that if you can't convince people by the strength of your arguments, you shouldn't seek a law to ban them."

The Mortimers and their fellow celebrities are dismissed by opponents as champagne socialists with easy access to circles of influence. Indeed, their campaign was hatched over lunch at The Ivy, the London restaurant beloved of politicians, actors and media types.

Penny Mortimer, who rides regularly with the Exmoor hunt, scoffs at the suggestion that it is an incongruous activity for a Labour Party member. "In areas like the Pennines and South Wales, lorry drivers and miners follow the hunt," she said. "The popular image is of toffs on horseback riding roughshod over the peasants. It's just not like that."

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The issue has been

news

# Schools' reserves to ease budget freeze

Judith Judd and  
Mary Dejevsky

Local authority leaders are urging ministers to use schools' balances to help fill a £1bn hole in the education budget. One scheme being drawn up would set up a system in which local authorities pooled rich schools' balances to allow poor schools to borrow money against them.

An estimated £600m is held in reserves by schools throughout the country but the amounts vary widely. While some schools are thousands of pounds in debt, others have up to £500,000 squirrelled away.

Education ministers fear that the Government's refusal to abandon the Conservatives' public spending targets for the next two years will make it impossible for them to fulfil their manifesto pledges. However, there were hints last night that there could be more money for education before that time is up.

At the G7 group of nations' summit in Denver, Colorado, British officials said that if the Government's Welfare to Work programme was successful social security budgets might fall next year and that money could be put into the education service.

However, the Chancellor, Gordon Brown, squashed speculation that there could be a public spending round later this year. Any shift of resources between departments would come after a full review of government spending, he said. But he predicted: "We can be far more flexible within and across departments as a result of this public spending review."

Meanwhile, ministers will be under pressure this year to do what the Conservatives used to do – use school and local authority balances as an argument against bigger increases in education spending.

Councils are warning that the position will be even worse than it was two years ago when parents and governors took to the streets in protest against education cuts. Around 10,000 teachers were either made redundant or not replaced. Figures in

an unpublished report from the Local Government Association show that, while existing government spending plans allow for a rise of only 1 or 2 per cent on local government spending next year, an increase of 2.8 per cent will be needed to maintain services and a further 2.5 per cent to keep pace with inflation.

A survey of local authorities shows that they are already spending around £19bn on education this year. They estimate that they need about £1bn more just to stand still. The association calculates that money for capital – this year £422m – will need to more than double if any roads are to be made into the backlog of building work.

For the last two years, authorities have cut back on social services such as old people's homes to pay for education. They have also raided their reserves. Even so, class sizes have risen.

Graham Lane, of the Local Government Association, said: "The Government has to find a way of funding the teachers' pay settlement this year. Otherwise, the situation will be worse than it was in 1995. It would mean massive increases in class sizes."

He said the money in schools' balances could be used to tide over the education service until more cash was released at the end of the two-year freeze. Under schemes already operating in one or two authorities such as his own, Newham, in east London, the authority holds school balances collectively and allows all schools, whatever the size of their contribution, to borrow against the total.

Authorities would like the system to extend nationwide. But Don Foster, the Liberal Democrats' education spokesman, said: "This would mean asking schools to take a risk now against the very uncertain promise of more money in two years' time. It would be tough on those schools which have deliberately saved money for projects."

Mr Lane said schools should keep some money in reserve but believed that anything over 3 or 4 per cent should be clawed back and redirected to another school.

**Ulster crisis:** Tony Blair sends a tough message to the terrorists from the G7 conference



Group of four: Hillary Clinton admiring the necklace of Cherie Blair as their husbands look on, during the final day of the summit in Denver. Photograph: Paul Hanna/Reuters

## 'We'll go ahead without you,' IRA told

David McGlennick  
and Mary Dejevsky

Sinn Fein yesterday held out what it clearly intended to be viewed as an olive branch to the Government yesterday, with a speech from Martin McGuinness contending that all was not lost in the flagging peace process.

Declaring that Sinn Fein was "working very hard to save the situation," the republican MP signalled that weapons decommissioning was the biggest single obstacle in the way of a renewed IRA ceasefire.

In America, meanwhile, Tony Blair, attending the Summit of Eight in Denver, publicly warned Sinn Fein in the strongest possible terms that he would not wait indefinitely for it to join the multi-party talks.

In an interview with the US ABC television network, he declared: "They can't sit there and say we're not going to let anyone else talk about a lasting settlement in Northern Ireland

because we won't." Mr McGuinness' overture will clearly be treated with the utmost suspicion by the government in the wake of last week's IRA murders of two RUC officers in Co Armagh.

The shootings were regarded both as the most brutal possible disruption of Sinn Fein contacts with the Government and happening as they did within miles of the Drumcree parade flashpoint, a severe provocation to loyalist groups.

Mr McGuinness himself acknowledged that the IRA killings, which he coupled with continuing loyalist violence, had helped create "a climate of fear and of apprehension". Then, most unusually for a Sinn Fein leader speaking to a republican audience, he went on to commend the Blair government for its approach.

Little of this is likely to be taken at face value by either the Government or others involved in British or Irish politics. Most immediately it may be viewed as an attempt to influence

the content of an important statement on Northern Ireland which it is reported Mr Blair may make on Wednesday.

Most observers will have difficulty in working out whether Mr McGuinness was waving or almost drowning in the flood of condemnation which followed the killings of the policemen. But the speech was clearly aimed at reassuring those who retain faith in the peace process that it is not yet over.

Mr McGuinness said Mr Blair was taking up a position which was an advance on that adopted by John Major, adding: "Some might feel that the new government is moving very far indeed." He also commended the Government for addressing "in varying degrees" Sinn Fein's concerns.

The message from republicans is that no IRA ceasefire is to be expected while the decommissioning issue remains unresolved. Republicans want to remove any possibility that, having

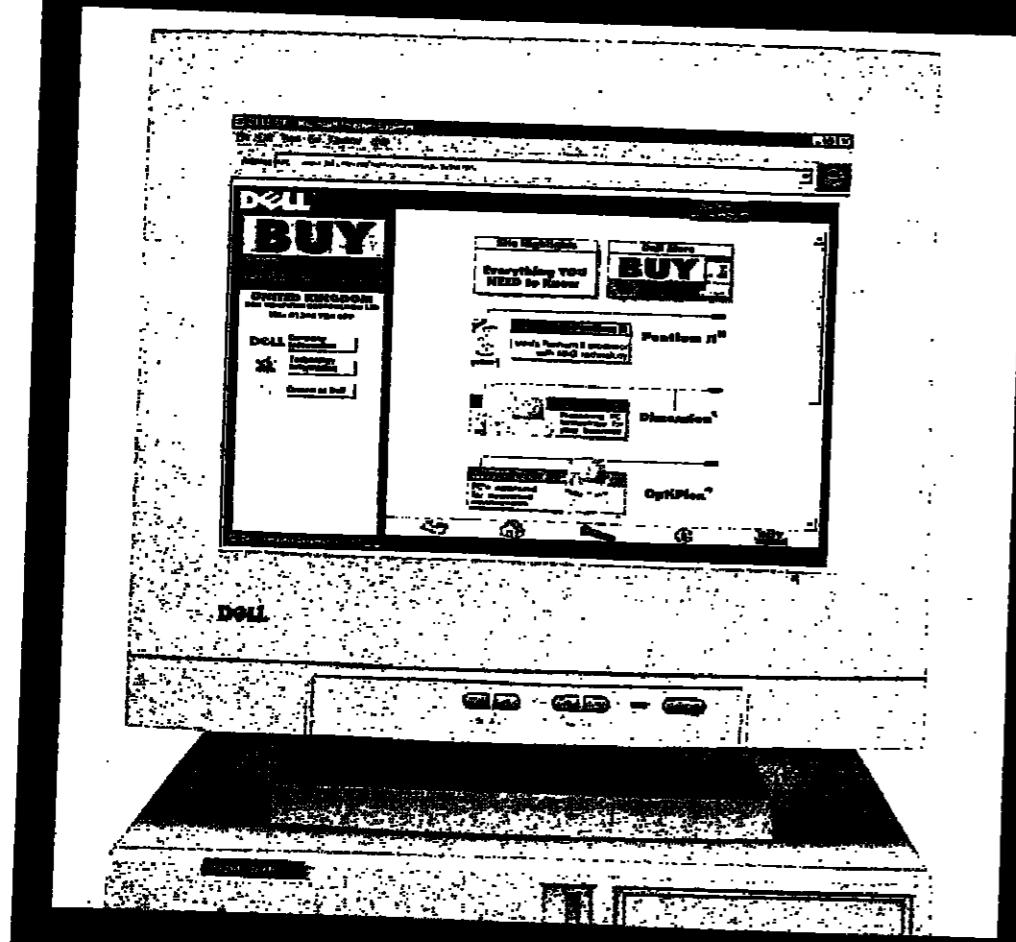
been admitted to talks in the event of a ceasefire, Unionist parties might have the power to have them ejected if no IRA arms are handed over.

Ken Maginnis, the Ulster Unionist MP, yesterday argued that the IRA was "politically irredeemable" and said he would not be taken in by any sort of temporary ceasefire or hollow gesture by the IRA.

■ In Bellaghy, Co Londonderry, yesterday, a potentially difficult Orange parade passed off without incident. A large-scale RUC operation partially re-routed the march to keep it away from protesting nationalist residents.

Meanwhile, it has now been established that a boobytrap bomb which exploded beneath a car in Belfast on Saturday was the work of loyalists intent on killing a Catholic man who had served a jail sentence for republican offences. He and another man were in the car when the device went off but were only slightly injured.

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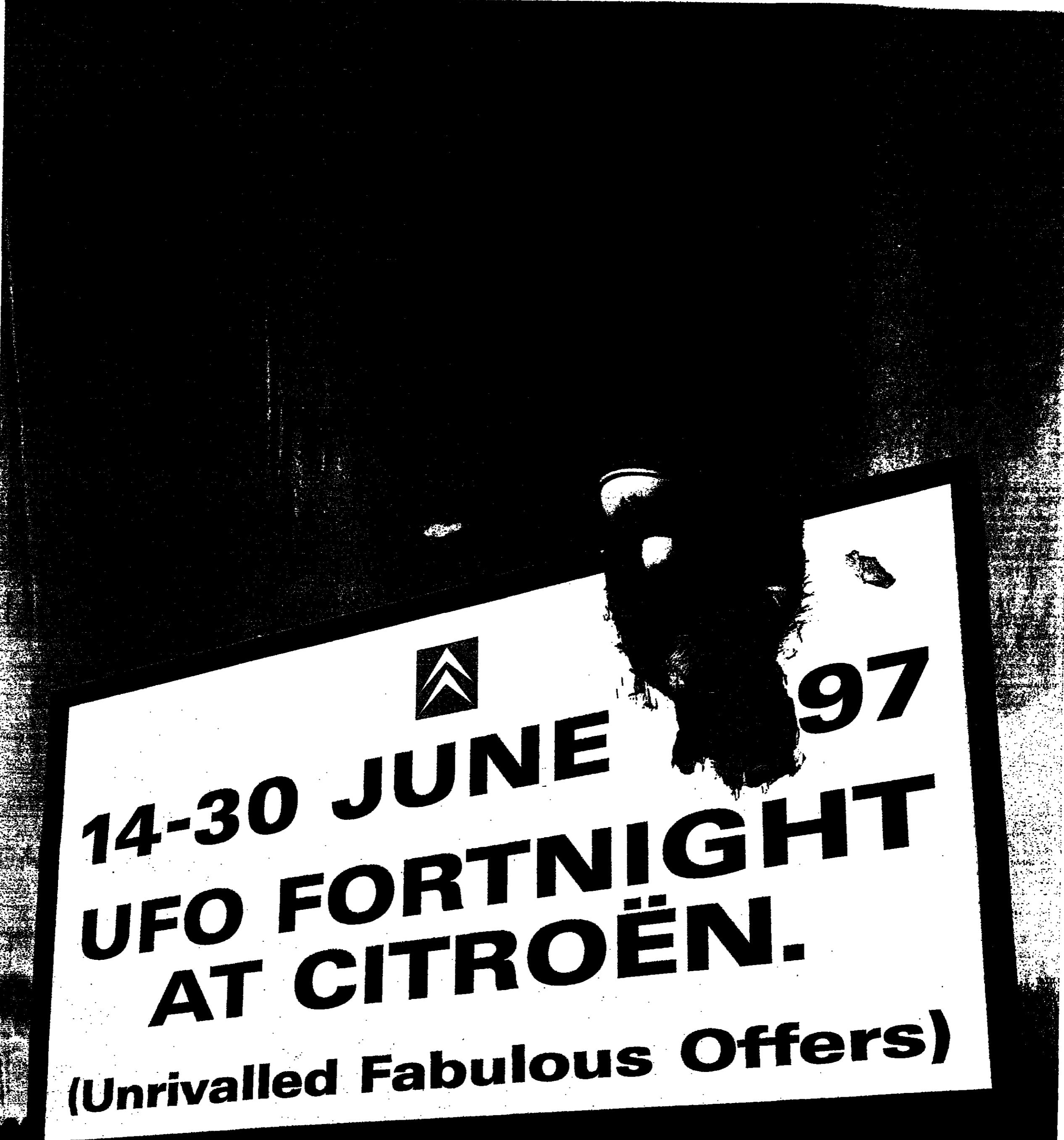
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## news

# Health authority targets tobacco giants

**Sameena Ahmad,  
Jeremy Laurence  
and David Osborne  
in New York**

A British health authority will today begin legal action against the tobacco industry to recover the costs of providing medical care for smokers following the landmark £25bn settlement made in the United States over the weekend.

But tobacco manufacturers in the United Kingdom played down the likelihood of a US-

style legal settlement here, arguing that there was no justification for a similar deal.

Terry Hanafin, chief executive of Croydon Health Authority, said that he would today be consulting legal firms about bringing an action against the tobacco companies and would seek advice from the Department of Health and from the anti-smoking pressure group, Ash.

"We are interested not only in seeking financial compensation but also in reducing nicotine levels in cigarettes to make them less addictive. The aim is ultimately to improve peoples' health," Mr Hanafin said. Croydon has asked the other 11 authorities in the south Thames region to share the costs.

Last year, Ash failed in an application for legal aid to bring a group action against two tobacco companies. Gallaher and Imperial Tobacco, on behalf of 40 smokers who had contracted lung cancer and other diseases. However, legal experts said yesterday that establishing a general link between smoking and the medical burden on the National Health Service would be easier than proving it in individual cases.

Amanda Sandford, a spokeswoman for Ash, said that the US settlement would have implications for the UK industry while the British Medical Association said it opened the way for a similar settlement here. "Companies here may be forced to come to some sort of deal. This is a good opportunity for smokers to come forward and pressure for compensation," Ms Sandford said. But Imperial Tobacco and

US, where the market is six times bigger," Ian Birks, a spokesman for Gallaher, said: "We will never settle. We will defend all cases vigorously."

There was a rocky reception over the weekend for the US settlement, as veteran foes of the industry challenged whether it would be sufficient to tame cigarette manufacturers and significantly reduce smoking.

Michael Moore, the Attorney-General of Mississippi and the principal player in reeling in the tobacco firms, predicted

that President Bill Clinton would back the deal. "President Clinton wants to do something for the children of this country. So, that's why I have faith that we'll get their support".

But the former commissioner of the Food and Drug Administration (FDA), David Kessler, who more than anyone helped turn the political tide against the industry, reiterated his doubts about the package, warning that the payout would be used to "line people's pockets" rather than fund public

health measures. He also pointed to fine print which suggests that the FDA's powers over nicotine use would be limited.

In Congress, Orrin Hatch, who heads the Senate Judiciary Committee, hinted that reviewing the package and putting it into law would be a slow and agonising process. "There are some 10 committees on Capitol Hill that all will be claiming some part of this settlement. So it is not going to be an easy thing," he said yesterday.

Leading article, page 14

## The deadly poison that helps disabled children to walk

**Jeremy Laurence**  
Health Editor

A lethal poison developed for chemical warfare is being tested as a treatment for handicapped children.

In the first double-blind controlled trial of *botulinum* toxin, a teaspoonful of which would be enough to kill 100,000 people, doctors in Leeds are using the poison to treat children with cerebral palsy, to help them to walk.

The toxin causes a dangerous form of food poisoning known as botulism, a creeping paralysis whose first signs are difficulty in swallowing and speaking. Even with prompt treatment with an antitoxin, it kills one in four of those affected.

It works by blocking nerve transmission which weakens or paralyses muscles with unusually long-lasting effects. As a lethal, tasteless, potent poison it attracted the interest of chemical warfare experts.

Doctors discovered that the same effect could be put to medical use, and have experimented over the last 10 years with the injection of tiny amounts of the toxin to ease a range of disorders caused by involuntary contraction of the muscles. Examples include squinting, blepharospasm, in which the eyes are repeatedly screwed up, and torticollis, in which the head is pulled over to one side.

Until now, however, the treatment has only been tried on individual patients and it has been impossible to tell whether the improvement noted in them has been due to the placebo effect – the patient's belief that a treatment will bring improvement.

Researchers at St James's University Hospital in Leeds have selected 50 children

with cerebral palsy – half of whom will be given injections of the toxin and half injections of an inert substance. The injections will be coded so that neither the children, nor their parents, nor the doctors administering them know which is which.

After three months, the code will be broken and the toxin offered to those children not getting it. Dr Tim Ubhi, who is coordinating the study, said: "It is the most lethal toxin around, yet its potential is amazing. It is probably the biggest advance in the treatment of cerebral palsy for decades. People have been using it *ad hoc* for some time, but we have no firm evidence that it works."

Dr Ubhi said a pilot trial in Leeds, involving 20 children, found that 18 improved with the injection and none deteriorated. Doctors in London and Belfast have also used it successfully.

Children whose legs are affected by cerebral palsy suffer contracture of the muscles, which causes the limbs to twist, making walking difficult or impossible. The injection allows the muscles to relax and stretch to a more normal length, which may also increase the child's growth.

"We think that once we have proved it works, it will be used by district hospitals very quickly. It looks that good," Dr Ubhi said.

Richard Parnell, research officer at Scope, the charity for people with cerebral palsy, said the toxin was not a licensed drug and required further tests on its long-term effects. "The evidence is that it works on selected children but it is not a catch-all solution. It is potentially a very exciting treatment but we have to be cautious."



Stepping out: Francesca Capitano (left) who had great difficulty walking, because of her cerebral palsy. Now, after taking part in the St James's Hospital botulinum trial, she can get around much more easily (above)

Photograph: Asadour Guzelian

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## Now she can do what her friends do. She is just so happy

### CASE STUDY

were problems. I have a lot of faith in the doctors.

Francesca had two injections of *botulinum* toxin, followed by two more, six months later, at St James's Hospital. Christine noticed the difference within days. "I didn't dare say anything because I was afraid to believe it. The doctors told us nothing because they didn't want to raise our hopes. Then others in the family and at her school started noticing she was walking better."

By relaxing the muscles in her twisted

legs, the injections not only made it easier for her to walk, they relaxed her whole body. Suddenly, a whole range of activities, from skipping to swimming to riding a bicycle became possible for her. Since last October she has only worn her splints at night.

Christine said: "We used to have tears when she couldn't ride a bike. Francesca is a very determined child and she would keep a brave face at school, but when she came home she would be in floods of tears. Now she can do what other children do. She is just so happy that she can keep up with her friends. It has given her confidence a real boost."



Fran Abrams  
Political Correspondent

William Hague was criticised for pursuing "yesterday's agenda" after his weekend decision to bring leading figures out of retirement into his team. Some party sources claimed that Mr Hague's decision to choose experience rather than youth – 11 of his 20-strong shadow team have been in the Cabinet and a further six have served as ministers – would need rethinking before the next general election.

One former minister said: "It has got to sound like tomorrow's agenda, not yesterday's. There are people there who will give him advice on the basis of experience, but I think he needs to carve out his own way."

However, the new leader's staff denied rumours that old-timers such as Norman Fowler, shadow spokesman for the environment, transport and regions, and the former party chairman Brian Mawhinney, now shadow Home Secretary, would probably stand aside before the next election. Francis Maude and John Maples, now back as shadow heritage and

## Hague selects team to pursue 'yesterday's agenda'



Bottomley: Time to be free

Clarke, though Mr Redwood did not know of the incident.

However, MPs from all sides of the Conservative Party were determined to show unity last night despite reports that the protracted leadership contest had led to deep bitterness between rival camps. It emerged that half a dozen former Redwood supporters were sent white feathers anonymously in the post after switching to Mr Hague when their man formed an alliance with Kenneth Clarke, though Mr Hague was elected.

Mr Gummer said: "I decided after the election that I felt I had been a minister for 17 years and I wanted a certain amount of freedom to do the things I am most interested in. I will be doing environmental things."

Mrs Bottomley said she intended to speak in the Commons on a range of issues in future.

"I have had some tremendous jobs in different departments, but I thought it was

time to be free and to let a new generation take over," she said.

A Tory party spokesman de-

noted that any of the appoint-

ments, apart from that of Cecil Parkinson as party chairman, were short-term.

"It is a cabi-

net of all the talents. It is in-

clusive of the leadership con-

tenders, it is balanced and

it gives us a fresh start in terms

of new people being brought in.

There is a minority of people

from the old cabinet," he said.

Yesterday Lord Parkinson

was contemplati-

ng rebuildi-

ng the party

and fulfi-

lling Mr Hague's pledge to dou-

ble its membership to 600,000.

### The Shadow Cabinet

PETER LILLEY, Shadow Chancellor (with overall responsibility for defence and foreign policy)  
MICHAEL HOWARD, Shadow Foreign Secretary  
DR BRIAN MAWHINNEY, Shadow Home Secretary  
LORD PARKINSON, Conservative Party Leader  
STEPHEN DORRELL, Shadow Education and Employment Secretary  
GILLIAN SHEPPARD, Shadow Leader of the Commons (also shadow the City, the Duchy of Lancaster and the Lords)  
SIR GEORGE YOUNG, Shadow Defence Secretary  
JOHN REDWOOD, Shadow Trade and Industry Secretary  
MICHAEL ANCHAM, Constitutional Affairs spokesman (with overall responsi-

bility for Scottish and Welsh issues)  
SIR NORMAN FOWLER, Shadow Secretary for Transport and Regional Development  
DAVID CURRY, Shadow Minister of Agriculture, Fisheries and Food  
ALASTAIR GOODLAD, Shadow International Development Secretary  
DANIEL MCINTOSH, Shadow Environment Secretary  
FRANCIS MAUDE, Shadow National Heritage Secretary  
ANDREW MACKAY, Shadow Northern Ireland Secretary  
JOHN MAPLES, Shadow Health Secretary  
IAIN DUNCAN SMITH, Shadow Social Security Secretary  
JAMES ARBUTHNOT, Opposition Chief Whip in the House of Commons  
WILLIAM STRACHAN, Shadow Secretary of State for Scotland  
LORD STRATHCLYDE, Opposition Chief Whip in the Lords



# Hong Kong handover

## China plans law to halt protests

**Stephen Vines**  
Hong Kong

Hong Kong's incoming administration is trying to avert demonstrations marring the start of Chinese sovereignty over the territory.

It is using a carrot and a stick. The stick comes in the form of the administration's determination to give tougher laws on the holding of demonstrations which will have retrospective effect from the stroke of midnight on 1 July, when the new order takes over.

The carrot is the likely offer to allow legislators who will be kicked out of office to hold a rally after the Chinese takeover during which they will address supporters from the balcony of the Legislative Council building.

Yesterday, Tung Chee-hwa, the chief executive-designate of the new special administrative region of Hong Kong, said that he hoped "nothing will spoil the happiness" of the handover events.

He insisted that demonstrations could be held, "as long as they are lawful, so long as they

are quiet and peaceful, they will be fine".

However, a small storm is gathering over the new administration's intention to pass a new public order law in the early hours of 1 July which will have retrospective effect from the beginning of the day.

The Provisional Legislature, which replaces the current elected legislature, is expected to rubber stamp the law at a meeting which will start around 3am.

The new legislative council has been meeting across the border in Shenzhen and has already agreed on the contents of the law, which imposes new requirements for police permission and outlaws demonstrations deemed to threaten Chinese national interests.

Elsie Leung, the incoming Secretary for Justice, said over the weekend that "anyone who intended to make use of the few hours to act against the laws, it would be at my discretion to prosecute them".

Although the discussion over the new laws only concerns a matter of timing it has agitated local lawyers because they see

it as undermining the pivotal principle of common law which that legislation should not be retrospective.

The common law will still apply in Hong Kong after next week.

It now seems certain that a whole range of demonstrations

are being planned for both the day before and the day after the resumption of Chinese rule.

One which may spark civil disobedience is to be held on the afternoon of 30 June where protesters will be targeting Chinese Premier Li Peng for his role in the Tiananmen massacre.

They wish to demonstrate as close as possible to the hall

where the handover ceremonies are being held, however most of this area will form part of a security zone.

On the day after the Chinese

takeover there are further threats of civil disobedience be-

cause Hong Kong's main cen-

trally located open-air venues have been declared to be unavailable for protest activities.

There will be an unpreced-

ted mobilisation of the police force during the five days of handover events.

The Chinese government is

extremely nervous about its

leaders having to face demon-

strators, so nervous in fact that

it is now insisting that Britain

allows more People's Liberation

Army troops into the territory

before the handover so that they

can provide the necessary

security.

Mr Yang, now games depart-

ment manager at Gold Disc, a

computer software company af-

filiated to the prestigious

Qinghua University in Peking,

said the new game would teach

patriotism. "This is true to facts

and can make children know

about China's history and love

the country," he explained, as he

manceuvred a couple of Chinese

warships to sink a British vessel.

The corrupt and uncaring

Qing Dynasty officials are pre-

sented as equal villains with the

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the hero, a Mandarin scholar,

goes in search of funds to fight

the foreigner barbarians, he

can try everything from flattery,

beautiful girls, or the truth to

win their support. But the Qing

officials have a nasty tendency

to repay him with a virtual

beating or execution. Only if the

player is skillful to raise enough

money can the scholar then pur-

chase warships and arm the Chi-

inese generals. A series of five

naval battles must then be

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Hong Kong.

The *Opium War* CD-Rom

took more than a year and

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velop, and was scrutinised by the

political commissars at the State

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Mr Yang estimated that 2.5

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Gold Disc's previous CD-

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and historical war games fea-

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and Genghis Khan. The *Opium*

War game, retailing at 78 yuan

(£5.80), will have a much high-

er initial print-run than other

products, with 20,000 copies due

to hit the China and Hong

Kong markets at the end of this

week.

But the biggest threat to Mr

Yang's warriors these days

comes not from the British but

from land-based Chinese pirates

whose respect for intellectual

property rights ranks lower

than Britain's historic regard for

Chinese sovereignty. "We are

very worried, so we want to pub-

lish it as soon as possible and col-

lect our money back," said

Mr Yang. "I am sure that pi-

rate versions of the game will

be out within one month."

British rule becomes only virtual reality

Teresa Poole  
Peking

And with a few strokes of the computer keyboard, the motherland vanquished the evil British colonialists, and Hong Kong was free.

This week, a new CD-Rom computer game goes on sale in China, inviting a generation of schoolchildren to re-fight the 1840-42 Opium War — only this time it is possible for China to win. Yang Nanzheng, who during his former 25-year stint with the People's Liberation Army used to design computer simulation war games, said: "China has a one-third chance of winning in the game, because the Qing Dynasty was very weak at that time. The best outcome is that China does not cede Hong Kong to Britain, but it is difficult to achieve this result. And even if Hong Kong is not given away, China still remains a very weak country."

Mr Yang, now games department manager at Gold Disc, a computer software company affiliated to the prestigious Qinghua University in Peking, said the new game would teach patriotism. "This is true to facts and can make children know about China's history and love the country," he explained, as he manoeuvred a couple of Chinese warships to sink a British vessel.

The corrupt and uncaring Qing Dynasty officials are presented as equal villains with the British in the CD-Rom. When the hero, a Mandarin scholar, goes in search of funds to fight the foreign barbarians, he can try everything from flattery, beautiful girls, or the truth to win their support. But the Qing officials have a nasty tendency to repay him with a virtual beating or execution. Only if the player is skillful to raise enough money can the scholar then purchase warships and arm the Chinese generals. A series of five naval battles must then be fought to decide the fate of Hong Kong.

The *Opium War* CD-Rom took more than a year and 700,000 yuan (£53,000) to develop, and was scrutinised by the political commissars at the State Press and Publishing Bureau. Mr Yang estimated that 2.5 million Chinese home computers now have a CD-Rom drive, and that the new game "can sell very well because of the return of Hong Kong". The advertising promises that the game is: "Very vivid, beautiful pictures, intense music, interesting plot."

Gold Disc's previous CD-titles include *Magic Eagle* (Bloodshed in the suburbs), which is a fictional tale of Middle East peace-keeping troops and historical war games featuring Bosnia, the Korean War, and Genghis Khan. The *Opium* War game, retailing at 78 yuan (£5.80), will have a much higher initial print-run than other products, with 20,000 copies due to hit the China and Hong Kong markets at the end of this week.

But the biggest threat to Mr Yang's warriors these days comes not from the British but from land-based Chinese pirates whose respect for intellectual property rights ranks lower than Britain's historic regard for Chinese sovereignty. "We are very worried, so we want to publish it as soon as possible and collect our money back," said Mr Yang. "I am sure that pirated versions of the game will be out within one month."



Junk food: A ferryman approaching one of the giant floating restaurants in Hong Kong's Aberdeen Harbour. The harbour, on the south side of the island, offers shelter from typhoons and the traditional Chinese junks moored there are a major tourist attraction

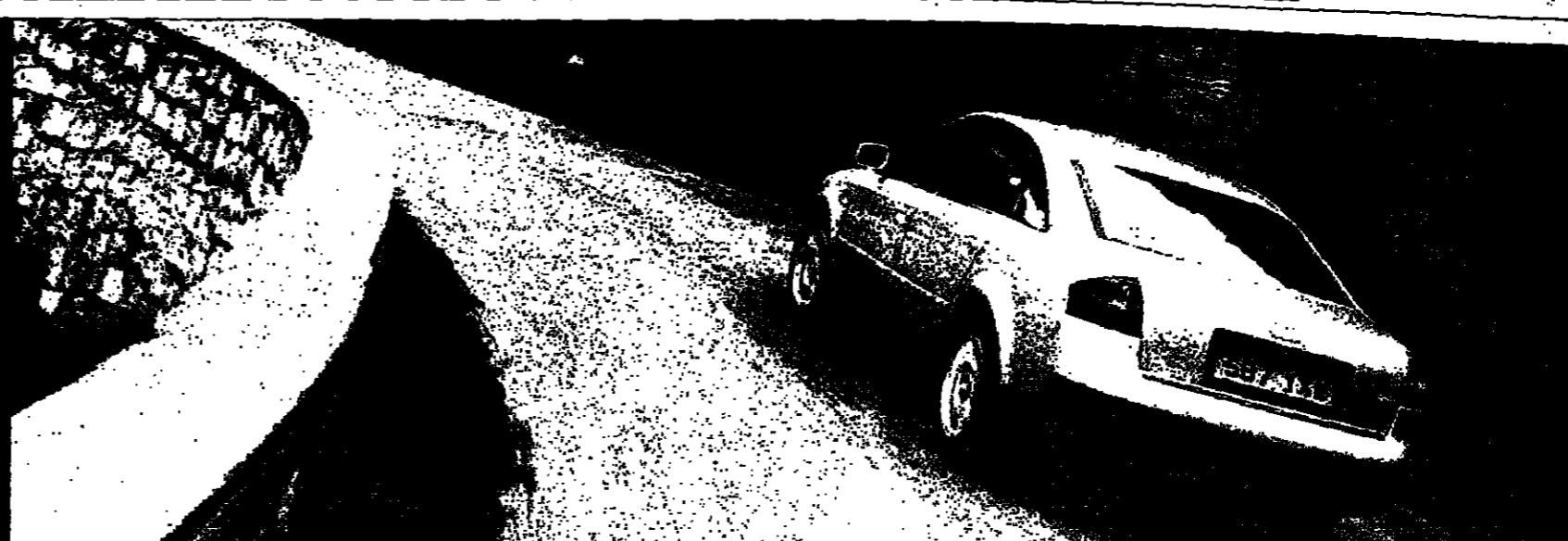
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British rule becomes only virtual reality

## General claims Pol Pot sighting in jungle camp

Matthew Chance  
Phnom Penh

Po Pot is alive and in the custody of renegade guerrillas, a senior Cambodian army spokesman claimed last night, raising hopes that the reviled Khmer Rouge leader may still face an international tribunal.

General Nhek Bun Chhay, who has been negotiating the handing over of Po Pot to government forces, said he had seen the reviled leader in person, being held under tight security at Anlong Veng, the guerrillas' remote jungle stronghold.

"Po Pot is alive. I saw him this morning," the general said. "He looked old and not very well," he added.

There has been no independent confirmation of the sighting and General Nhek Bun Chhay was unable to offer any evidence. But if true, say Phnom Penh observers, this is one of the first reported encounters with the elusive despot for more than a decade, dispelling confusing reports over Po Pot's health and whereabouts.

Cambodia's two warring prime ministers, who have pledged to stand Po Pot before an international war crimes tribunal once he is handed over by renegade Khmer Rouge fighters who turned against him, issued conflicting statements yesterday.

Prince Norodom Ranariddh, the country's senior leader, said Po Pot was being brought to Phnom Penh alive. However, his co-premier, Hun Sen, later contradicted the assertion, saying that he understood that Po Pot was already dead.

The confusion surrounding Po Pot may be partly due to the remote location, in the thick jungles of Cambodia's north, where his loyal guerrillas were surrounded, and later captured, by 1,000 renegades, reportedly embittered by an internal purge of their movement.

But there is also growing concern that Cambodia's most senior politicians have been engineering unconfirmed reports of events, in an attempt to rehabilitate hated Khmer Rouge leaders who want to return to mainstream politics.

"Pressure on the government to produce Po Pot, or evidence that he is alive or dead is growing by the day," said one diplomat.

"The whole world is watching for developments and if Cambodia's leaders can't come up with what they have promised, they stand to lose plenty of credibility."

David Usborne  
New York

The United States may soon have an unexpected solution to one of the most controversial conundrums created by the closing of the Cold War - where to park the warheads of the nuclear arsenals that for decades Washington and Moscow had pointed at one another's territory.

Suddenly, Greenland is saying that it would not mind housing the weapons if it do so would help the cause of international detente. Given the geo-

graphical position of the world's largest island - midway between North America and Russia, the proposal seems perfectly apt.

The offer has been made directly by Lars Emil Johansen, the Premier of Greenland. Mr Johansen leads the centre-left coalition that governs Greenland under its partial home-rule relationship with Denmark.

Greenland "doesn't want to be a dumping ground, but we would like to make our contribution to the world peace," Mr Johansen told the Danish newspaper, *Jyllands Posten* this week-

end. Weapons from either side in the Cold War, America and the Soviet Union, would be welcome, he added.

However, it is likely that Mr Johansen may have to smooth some rough feathers in Denmark first before the offer can be made formally to Moscow and Washington. Denmark still has responsibility for Greenland's foreign and defence policy.

The Danish Foreign Minister, Niels Helveg Petersen, was said this weekend to have been "very surprised" by the proposal.

Ties between Denmark and its Arctic dependency have long been tense. Greenland, which has a population of only 57,000 huddled mostly along its southern coastline, has made no secret of its long-term desire to become a fully sovereign nation. It remains heavily dependent on Danish subsidies, however.

Moreover, the proposal is likely to reawaken some sensitive memories in Denmark.

During the Cold War, Greenland secretly provided storage space for American nuclear warheads, even though Denmark had voted in 1957 to ban all nuclear materials from its soil.

When the secret was revealed, it turned out that very few even in the highest levels of Danish government had been aware of it.

The notion of using Greenland as a garage for the warheads first surfaced in a report published in the US in February by the Rand Institute. The institute this weekend welcomed Mr Johansen's offer.

"It is great news for the whole world that the Greenland Home Rule [government] is willing to make an initiative," a Rand spokesman said.



Johansen: surprising offer



Focus on history: Spectators in Rome watching the Forum bathed in light from the newly installed illumination system. Photograph: Vincenzo Pinto

## Socialists pick a successor to Gonzalez

Elizabeth Nash  
Madrid

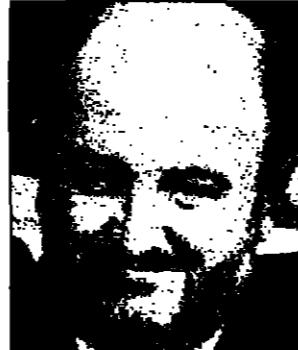
The Spanish Socialist Party yesterday rallied round Joaquin Almunia, the party's affable and experienced parliamentary spokesman, to succeed Felipe Gonzalez as general secretary.

Mr Gonzalez consulted the party's congress in Madrid on Friday by unexpectedly saying that he would not stand again.

However, Mr Gonzalez's example, intended to inject new life into the leadership, was not followed by the powerful regional barons who insisted on clinging to their seats. It was with their blessing that Mr Almunia emerged as the successor.

Pressure on the government to produce Po Pot, or evidence that he is alive or dead is growing by the day," said one diplomat.

"The whole world is watching for developments and if Cambodia's leaders can't come up with what they have promised, they stand to lose plenty of credibility."



(UGT), was elected to parliament in 1979, when he joined the party executive.

He became Minister of Labour and Social Security in Mr Gonzalez's first government in 1982. At 34, he was the youngest minister in that youthful government.

He has long combined positions in the party with those in public political life, and in the last year has been Mr Gonzalez's effective and energetic right hand in parliament.

Mr Almunia has carried the weight of leading the socialist opposition's fight against the conservative government of Jose Maria Aznar, since Mr Gonzalez has kept his own parliamentary appearances to a

minimum. Trained in law and economics at Bilbao's Jesuit Deusto University, and at the Ecole des Hautes Etudes in Paris, Mr Almunia is known for his intellectual astuteness.

He is also a safe pair of hands, who, although recognising the need to make changes to restore the party's vigour, is unlikely to turn everything upside down.

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Two years ago, the then Japanese prime minister, Tomiichi Murayama, launched a 100 billion yen (£500m) war atonement fund for education and welfare projects in countries whose citizens suffered Japanese mistreatment, but this gesture has been rejected by American and Commonwealth veterans' organisations, which demand individual compensation.

The Japanese government has never denied the claims of ill-treatment, including torture and sexual abuse, but maintains that wartime compensation issues were settled in the 1951 San Francisco Treaty, which exempted it from reparations for the board.

Under the Conservatives, Britain supported that position, but lawyers acting for the plaintiffs are cautiously optimistic that the new government will apply pressure on Tokyo to provide some kind of compensation.

They have already had a meeting with Derek Fatchett, minister of state at the Foreign and Commonwealth Office.

"He called us just a few days after taking office, and he said he would try to do as much as he could," said Marty Day, lawyer for the plaintiffs.

"He asked for a grace period so that he could get on with things quietly behind the scenes, and we've been told that Robin Cook raised it yesterday with the Japanese foreign minister in Colorado. The sense I get is that we had a stalemate before, but that the Japanese are more likely to take notice of the new government."

## Tokyo court to decide on PoW claims

Richard Lloyd Parry  
Tokyo

British wartime prisoners of the Japanese will press their claims for compensation in Tokyo today, amid signs of fresh interest in their case by the Government.

Arthur Titherington, British chairman of the Japanese Labour Camp Survivors Association and Keith Martin, of British Civilian Internees, represent 40,000 former prisoners of war and civilian detainees who are each demanding US \$22,000 (£13,300) from the Japanese government for suffering during their wartime incarceration.

At the Tokyo District Court today, Frits Kalshoven, Professor of International Law at Leiden University, will give expert evidence supporting their claims that former detainees are entitled to claim individual compensation.

The Japanese government has never denied the claims of ill-treatment, including torture and sexual abuse, but maintains that wartime compensation issues were settled in the 1951 San Francisco Treaty, which exempted it from reparations across the board.

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"Emperor Akihito is coming over to Britain early next year," said Mr Day. "We'll give it until then, and if nothing happens we'll give him a hot reception."

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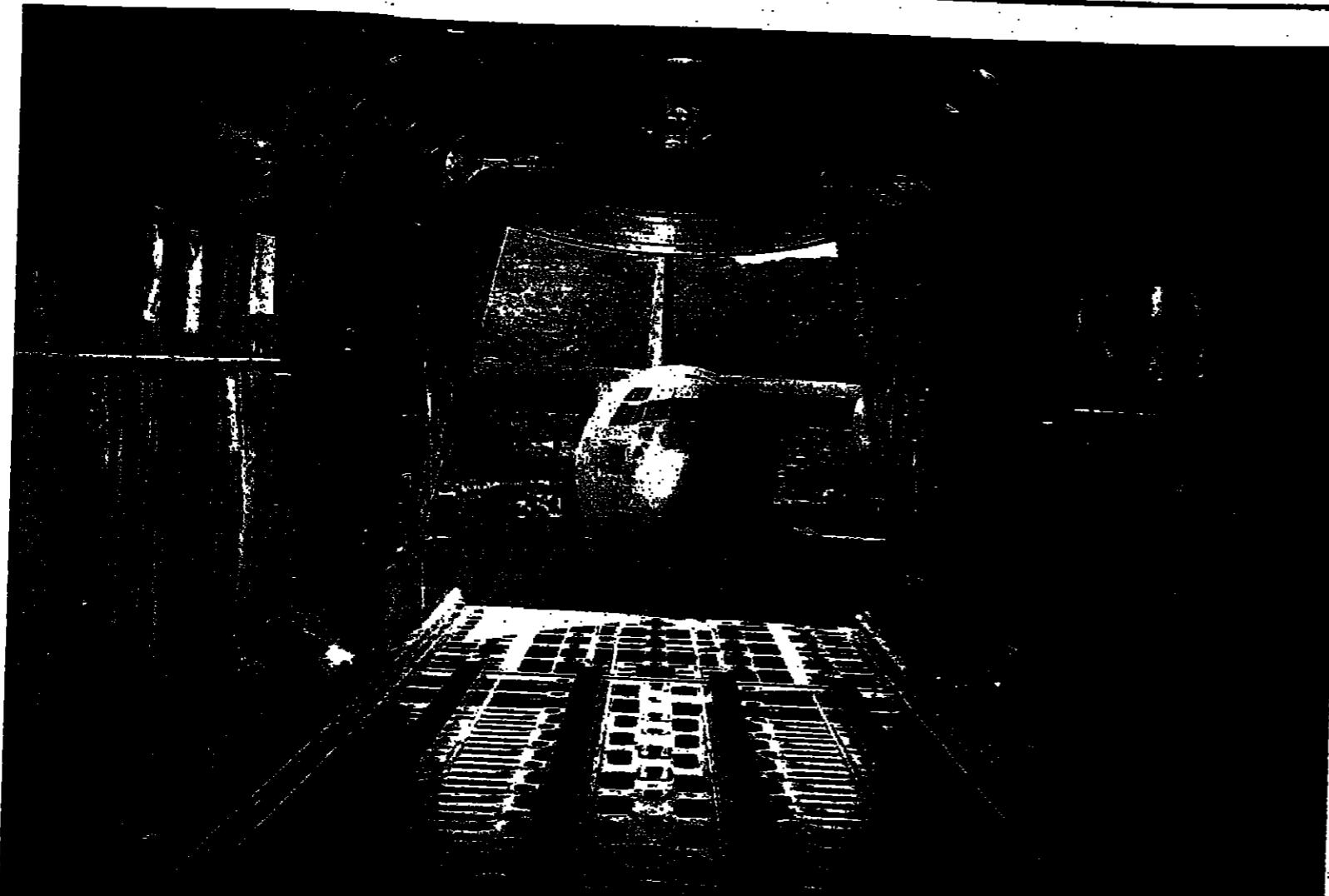
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# French child porn raids lead to four suicides

John Lichfield  
Paris

Four suicides in five days have thrown into question the methods, and motives, of the French gendarmerie and judiciary which made simultaneous dawn raids on more than 600 suspected consumers of child pornography last week.

On Saturday, a teacher, Gilbert Pic, 40, threw himself to his death from the Aquitaine bridge over the Garonne in Bordeaux. He was the fourth paedophile suspect to take his life since the raids across France on Tuesday morning.

He and one of the others had been charged with the legally minor – but professionally and socially devastating – crime of possession of videos portraying scenes of sex with children. A senior business executive in Tulle, Corrèze, hung himself on

Thursday after child pornography cassettes were found at his home. He left a note saying: "I cannot go on. Forgive me."

The other two men who killed themselves, including an invalid, had been questioned at length but charged with nothing.

Henri Leclerc, president of the French league for Human Rights, said the suicides cast doubt on the deliberately dramatic and highly publicised raids. Not everyone who bought a pornographic cassette, even a child-porn cassette, was "another Marc Dutroux (the Belgian accused of a series of sexually-motivated child murders)", he said.

The *Journal de Dimanche*, while applauding the crack-down on French paedophiles after years of "laxity", said yesterday that a media circus and a rash of suicides was neither a just nor an effective way to protect children.

The judicial authorities pointed out, however, that the raids did not just lead to the arrest of consumers of child porn. Seven men arrested on Tuesday had been charged with taking part in, and filming, sexual acts with minors.

The overwhelming profile is middle class," an investigator said.

"Most of those charged are accused of possessing child pornography and face prison terms of between one and three years,

depending on the age of the children involved. The raids coincided with the start of the trial in Paris of the alleged ring-leaders of a network of filming and selling child pornography, arrested last year.

The addresses of the men raided on Tuesday came from the files of this network, code-named Toro Bravo, which sold cassettes by mail at FF800 (\$90) each.

The increased energy and resources devoted to child pornography in France flows directly from public outrage generated by the Dutroux case in Belgium. Both French and Belgian investigators are working on links between Dutroux and French child-pornographers.

The *Journal de Dimanche* revealed yesterday that two of the men involved in the Toro Bravo paedophile ring had connections with the extreme right of French politics. One of the men, Bernard Alapetite, charged on Thursday, had several previous convictions for peddling child pornography.

He is also an author of far-right tracts and books and a one-time associate of Jean-François Galvaire, a member of the political bureau of the National Front.

Mr Galvaire told the newspaper that he had had no recent connections with Mr Alapetite. Without challenging this assertion, *Journal de Dimanche* pointed out that Mr Alapetite's video-production company, Platypus, had until recently shared an address with an FN front organisation chaired by Mr Galvaire.

"There are lots of companies there, even some freemasons [a particular bugbear of the NF]," Mr Galvaire explained.

## significant shorts

### Don Fidel, Mexico's last revolutionary, dies at 97

He was as old as the century. Fidel Velazquez, who fought in Mexico's revolution and led the country's workers for the last 60 years, died at the weekend aged 97.

Revered by some and feared by others, Mr Velazquez, the head of the powerful Mexican Workers' Confederation was seen as perhaps the last of the "dinosaurs" that formed part of Mexico's virtual one-party system until the democratic opening of recent years.

"He was a symbol of the hunger for power," said writer Carlos Monsivais. "Don Fidel knew how to reconcile the special interests of workers with the greater interests of the nation," said Mexican president Ernesto Zedillo.

Phil Davison  
Obituary, page 16

### Pope's plea for Christian unity

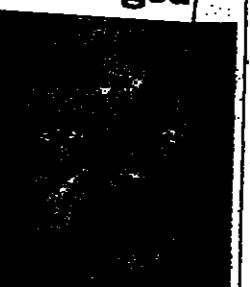
Pope John Paul II made a fresh plea for reconciliation among Christians yesterday. Patriarch Alexy II, who was to have met the Pope in Austria on Saturday, said last week that quarrels between the Roman Catholic and Orthodox faiths prevented the encounter from taking place. The patriarch linked any future meeting to overcoming the Russian church's concerns about Catholic efforts to win over believers. The meeting would have been the first such moment since the Great Schism of 1054 split the Christian faith into Orthodox and Catholic beliefs.

AP - Vatican City

### Republic of Congo force urged

UN Secretary-General Kofi Annan (right) asked the Security Council on Saturday to authorize a multinational force for the Republic of the Congo to prevent a resurgence of fighting. Mr Annan said it was unclear whether the force would be UN-led, such as those in Somalia and Bosnia, or simply UN-authorized, like the Italian-led operation in Albania.

AP - United Nations



### British visit reasserts Gulf links

Foreign Office minister Derek Fatchett started a tour of three Gulf Arab states to confirm London's commitment to security in the Gulf and boosting political and economic ties. Mr Fatchett, who arrived in Oman, is also due to visit the United Arab Emirates and Kuwait.

Britain keeps a number of warships in the Gulf as part of a multi-national effort enforcing sanctions on Iraq.

Reuters - Muscat

### Pakistan-India talks progress

Pakistani and Indian negotiators started a crucial third and final day of talks. Top foreign ministry diplomats, each backed by a team of half a dozen colleagues, said on Saturday that they had achieved "forward movement" on their second day of peace talks. Yesterday's talks aimed to produce an agreed document that would contain working papers from both sides and set out the mechanism for future talks between the arch-rivals.

Reuters - Murree, Pakistan

### Crocodiles win moral high-ground

Crocodiles scaled the walls of Israeli justice, emerging from the Supreme Court as winners in a case against their human captors. The court banned crocodile wrestling at a reptile farm in northern Israel where the minute-long bouts between man and beast have been an attraction. Judges said it was immoral to cause the crocodile suffering for the sake of people's entertainment, a court official said.

Reuters - Jerusalem

Options	Example Verona 1.8 5dr*
Mileage (per annum)	12,000
Estimated on road price	£13,995
Deposit (30%)	£4,198.50
Balance	£9,796.50
Total charge for credit**	£1,504.88
Total amount payable	£15,499.88
Term (months)	25
Number of monthly payments	24
Monthly payment	£229.14
Optional final payment to purchase (Minimum Guaranteed Future Value*)	£5,732.00
APR	9.7%

هذا من الأصل





British rule becomes only virtual reality

## Interview



**Deborah Ross**  
talks to  
**ILIE NASTASE**

**I**t is 4pm at the exclusive Hurlingham Club in Fulham, south-west London: tea time at one of those Senior Tennis Championships where companies pay £230 a head to treat their clients to a good lunch followed by "a galaxy of legends" - the bunch's description, not mine - hitting a few balls about.

There has been no play today because the rain hasn't let off for a minute. Ilie Nastase, the one-time glamour god who is now, perhaps, the greatest star in that galaxy, is in a pecculant mood. He is bored, mostly. He takes it out on the sandwiches on offer. No, he doesn't want cucumber, as dainty as they are. Or smoked salmon, cheese or ham. He wants "eggy".

"I want English egg. Egg! Egg! Egg!" he keeps wailing. He is only cheered when he is summoned to the reception desk and returns, beaming and excited, with a beautiful, lustrous-haired, caramel-skinned woman of, I would say, around 30 or so.

As far as I can gather, he first met this woman yesterday, at the Harbour Club. As far as I can gather, Ilie Nastase has an empty evening ahead of him at the Hilton Hotel which needs filling. As such, I am cruelly ejected from the chair next to him - tipped on to the floor, almost - in favour of this infinitely better, more attractive prospect. I consider feeling hurt, but then remind myself I have bags of personality.

Anyway, I shift to another chair on the other side of the table. Surprisingly, Ilie doesn't seem to mind me spying so indiscreetly on him and his possible companion for the night. But then he has always loved playing to an audience. Whatever, I am privy to the conversation, which goes something like this:

Ilie: "You like me? You think I'm good-looking? Yes?"

Woman: "Well, it's what's inside a person that counts."

Ilie: "I look at a woman, look at her physically, and I know straight away if we're going to be beautiful together or not."

Woman: "Oh."

Ilie: "I like the tall women, with long hair and nice legs and nice hands, like you. We do dinner, OK? You want champagne, yes?"

Woman: "What star sign are you?"

Ilie: "Cancer. And you are Leo. I know, because Cancer and Leo very good together."

Woman: "I am Leo! I am! I am!"

Nastase howls triumphantly - "I knew it! I knew it!" - then goes on to tell her a very dirty joke followed by several even dirtier ones. The words "horny" and "blowjob" in particular seem to figure largely. These are the sorts of jokes fathers always seem to tell after a certain age while you are going "no, dad, no" inside. The other players on the table - the Amritraj brothers, Manuel Orantes, Roscoe Tanner - laugh until tears run down their leathery faces, and they must wipe them away with the backs of their gold-ringed hands or their glitteringly Rolexed wrists.

But the more I pretend to laugh - "ho, ho," I go, I'm ashamed to say - the more saddened I feel in my heart. Don't get me wrong here. I am not, on the whole, someone who tends to take the moral high ground. It's just that here, today, it all seems so depressingly arrested and sad. And you don't want Nastase to be depressingly arrested and sad. You want him to be dazzling and heroic. You want him to be, in person, like the tennis player he was in the Seventies, when the all-round virtuousness and charisma of his game was just such a beguiling and wondrous thing.

He was, I think most would agree, one of the most beautiful and gifted players ever. (Later, Vijay Amritraj tells me "there has never been anyone to match Nastase for raw, God-given talent".) He could be argumentative and spoilt, to be sure, but unlike, say, Connors or McEnroe, who were American and brattish, he was darkly Romanian and the sporting public always adored him. The sheer magic of his play always saw to that, as did all his on-court tomfoolery - borrowing umbrellas from the crowd, kissing the hands of lady linesmen, that kind of thing. Of course, this could have been to do with putting off his opponent. And perhaps it was. But it never seemed so.

His entertainer's instinct, his larking about, may actually have done for him in the end. In terms of the biggies, he only ever won the US and French Opens the once, which isn't much considering his supreme ability.



The Wimbledon singles title always evaded him. He was beaten in the finals twice, once by Stan Smith in an epic, five-set defeat - "Please, don't remind me of it" - then by Bjorn Borg. "Ah, Bjorn. In the locker room, after, you can never tell if he win or lose. He take off his shirt, his pants, his socks in the same way and then always fold them in the same way."

Could Ilie compete against today's champions, if he were their age? "Of course," he says. "Tim Henman going to do it for us at last? I think Tim good for England, but could be better."

Ultimately, Ilie Nastase proved one of the game's greatest under-achievers. But who cares? Merc statistics do not sum him up. For anyone who saw him, the memory lingers. This is a good thing, in most respects. It makes it hard to meet him, though.

Ilie: "So, we have dinner. I show you a good time."

Woman: "I have an appointment tonight, actually."

Ilie: "Tomorrow, then? I am 51 but I still look good, yes? I look at myself in the mirror in the morning and I say, Ilie, you still look good. Ah, the egg sandwiches have come. I love the English egg. We get intoxicated on this English egg, yes?"

The thing about great tennis aces, as I am beginning to learn, is that it is perhaps unfair to expect them to be anything other than great tennis aces. Or even emotionally grown up. They begin their careers in earnest at what? Seven or eight? Then, for the next 20, perhaps 25 years, they go on to live a life disconnected from the real world and real people. It's all training sessions, planes, hotels, tournaments, cash prizes, the next training session, plane, tournament. They end up owning several properties worldwide (Ilie has six, including ones in New York, Miami, Paris, Monte Carlo), but never really belong anywhere. Marriages go pear-shaped not just because they are never at home, but because they never really get to relate to anyone beyond their fans, the others on the circuit and the shag-happy groupies. They tend to be shallow in this way.

Ilie: "Where are you from?"

Woman: "Sri Lanka."

Ilie: "Ah, Sri Lanka. I never been there. But I been in Ceylon. How for Sri Lanka from Ceylon?"

Vijay Amritraj: "They're the same place, Ilie."

Ilie: "You think Vijay handsome?"

Woman: "He seems very nice."

Ilie: "Vijay, it not break my heart if you leave now. Now, I tell you this very good joke. This man, he want to have the sex with his wife but the wife say..."

Nastase doesn't, financially, have to work here. He is a multi-millionaire - the winnings: property companies; shares in Romanian companies; deals with Adidas and Christian Dior; a business which exports Nastase bolognese to the United States.

He, much like the others here today, is still playing tennis because he can't stop playing tennis. Although not a great one for introspection or self-analysis, I think he says as much when he tells you what it was like when he realised he was no longer good enough to play at the highest level. "I stop when I am ranked 50 or something, because I do not want to stop when I am 200. It is very difficult adjusting to regular life, because you have never had a regular life. When you wake up, you miss the pressure in your stomach. You miss the tension. You want to be always in front of people. Once you have been in front of people, there is no way you can forget it."

Last year, Ilie Nastase did try to break out. He stood in the election for mayor of Bucharest, an act which surprised many not only because he hadn't returned to Bucharest for years, but also because he had never been known to have a political thought in his life. Frankly, I think he may still be a little suspect on this front. (Ilie, what did you make of Ceausescu? "He do lot of bad things, yes, but he do a lot of very good things, too, and people forget this. He built wonderful buildings.")

Failing to win was a disappointment, yes, but he's glad to be back doing this All Our Yesterday business. "I miss the putting on of the shorts and the chasing of the little ball. I miss the atmosphere of the little ball." It's probably very much the friendships very much, yes?"

Ilie's father, Georges, was a bank cashier. The Nastase family, with five children, lived in one of the bank's houses, situated on the edge of a tennis club, also owned by the bank. They were better off than many other families in Bucharest, but still, money was scarce. Some weeks they only ate bread with sugar. Ilie used to go to school in a shirt still damp from the wash, because he only ever had the one shirt.

Every day, at 8am, he would get up to ball-boy for the early-morning tennis players. "I would get some money for this. But I would always have to give it to my mother." I wonder what it felt like when, later, all that prize money started rolling in? "It very nice. I invite everyone for dinner. I buy myself nice cars. I like the Ferrari very much."

His earliest memories are all to do with either playing tennis or kicking a soccer ball about. He could, he reckons, have been a great footballer, but opted eventually for the tennis because: "it was not so hard on my legs". To cut a long story very short, he was Romania's child

Nastase: "I am 51 but I still look good, yes? I look at myself in the mirror and I say, Ilie, you still look good."

Photograph: John Voss

champion at 12 and junior champion at 15, left Romania pretty much for good at 17, and was number one in the world when computer rankings started in 1973. There was never any time for puberty or adolescence or any of that stuff, which may go some way towards explaining why Ilie Nastase still seems such a childlike creature today. In some ways, this is endearing. He is open, eager to please, very much someone who lives in the moment. But in other ways, it's a handicap. He can't fill up his evenings with books or films because his attention span is so limited he can never get to the end of them. Our interview, if you can call it such, is a very stop-start affair, because mid-question he will suddenly get up and wander off. He is much heavier and slower than he was, and loses away like some big old bear.

In fact, he is only truly interested or animated when talking about sex, which he does in a very pre-teenage way. He has loved women for ever, he says. When he was at school, even, he would put mirrors on the tips of his shoes so he could look up girls' skirts to see if they had knickers on or not. (I thank God I am very much a trousers sort of woman.)

How many women has he slept with?

"I don't know. Too difficult to count. I think."

He can concentrate on sex, then, at least?

"Ha. Yes. I concentrate better on the sex than the tennis. I not first have sex until I was 19, 20, but then I catch up fast and become very good professional. The women always say to me, oh baby, you good."

His first marriage, to Dominique, a Parisian beauty, took place when he was 26. It collapsed for the reasons most tennis marriages collapse. "I travel, travel, travel all the time. This is OK for one year, or two, but not for 10. My daughter [Natalie, now 23] is a baby one day and then she is 14, 15 and I never see her grow up."

He is now married to Alexandra, a

American beauty, and has a further two children, Nicholas and Charlotte. I wonder why he married again. "I didn't want to. But I live with her for two years and she wants to marry and her parents want her to marry."

If Nastase goes the whole way with the women he encounters on the road, I do not think he would see it as infidelity as such. It's just what you do when you are on these tours. He would not think of his life as sad or lonely or superficial because he's never lived any other way. Probably, he's not even aware you can live life any other way.

Anyway, before I go I note the Sri Lankan woman has gone. To keep that appointment? Perhaps. But Ilie is not downhearted. A perky blonde in a tight, short-sleeved purple sweater is now sitting in that chair. When I interrupt to say goodbye, he gives me a big bear hug and a kiss, but then quickly gets back down to business. "So, you like me? I tell you this good joke. Man goes to doctor because wife not giving it to him, if you know what I mean..."

## features

There must be an absolute stampede for the gents' lavatory when Clinton responds to the call of nature



I can't stop thinking about President Clinton's trousers, and what lies therein. Maybe I read the wrong newspapers but there seems to have been remarkably little speculation as to exactly what it was that made Paula Jones's eyes pop like that. But I've thought long and hard about it, and it stands to reason that it must have been pretty spectacular. After all, she presumably only had a few seconds to stare at it before receding in horror, whereas I've had over 20 years to commit my spouse's tackle to memory and I'm honestly not sure I could give a blow-by-blow description in a court of law. But I thought Tony Blair acted like a seasoned diplomat the other day when he greeted Clinton in Washington, pointing up at something above their heads in exaggerated fashion, obviously to avoid the horrible possibility of his gaze dropping below the belt. Blair is in a privileged position when you think about it - who needs to be a fly on the wall when you can do some presidential bonding over the urinals? There must be an absolute stampede for the gents' lavatory when Clinton responds to the call of nature.

Sports day was a disappointment this year: I had hoped to witness first-hand some of the parental competitiveness I have heard about from friends (my favourite is of a mother seen castigating her child after the 200 metres - "Second is not good enough"). My son had implored me not to go and I had rather excitedly assumed that this was because he thought I would shame him by turning up in an outrageous, radical chic outfit. But it turned out the reason he didn't want me to go was because he wasn't going either: attendance was optional unless you were a sporting hero. Consequently I had to stand there in the pouring rain with the four other parents who had turned up, staring fixedly into the middle distance, pretending that one of the muscled little brutes was mine. This completes a lifetime of sporting humiliation which began for me at the age of four, when I stopped short of the finishing post because I thought you had to jump over it, and continued with a younger sister who won the Victoria Ludorum at every sports day, while my best result was a fourth equal in a sack race with five contestants. Those bastards at BSkyB are really turning the screws now: they've bought the next series of Friends and ER. But dammit, we're not giving in. If the pitiful sight of the boys watching England football matches on Cefax hasn't weakened our resistance, it would be too shameful if I capitulated over middle-age lust for George Clooney.

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14  
the leader page

# Yes, smoking kills, but litigation is ruinous

The American tobacco industry has just agreed to hand over £220m, enough to keep our National Health Service going for five years. It is an astonishing sum of money. The amount earned by lawyers working on a percentage boggles the mind. But then, the tobacco industry has done wrong. It concealed information about the link with cancer and the addictiveness of nicotine. So should it not pay? And, if the answer is yes, then the next question is, should British tobacco companies not pay here?

No sooner had the monster American settlement been reached than a health authority spokesman was on our television screens saying they intended to look at whether such an action could be taken to the courts here. Yesterday, the doctors' trade union, the British Medical Association, urged them on. Well, hold on a minute. This is a case not so much of running before you can walk but of trying to fly. It would be extraordinary, and a dramatic change to our legal system, if health-care providers in this country could sue tobacco companies for the cost of treating their customers.

There is a case already, due to go to the High Court next week, in which a group of cancer sufferers is suing Gallaher and Imperial Tobacco. It is already pushing at the boundaries of British legal practice: it is the first case brought by a group of litigants – a foretaste perhaps of the "class" actions

which so dominate the American system – and they have to prove that the companies showed negligence in failing to cut tar levels in their cigarettes when they knew this would reduce the number of cancer cases. Given that these cases concern people who knew cigarettes caused cancer and yet chose to smoke, that is a tough charge to make stick.

What is unthinkable is that English or Scottish courts should hold that the tobacco companies owe a duty of care at one further remove, not just to their consumers but to the health-care providers who have to treat them when they start coughing up blood. Certainly, the makers of cigarettes have wider obligations than simply to their customers, as do the makers of fast cars, motorbikes and everything else. But these are not obligations which should be enforced by individuals through the legal system. That is what we have politics for. Of course there is a public interest in minimising lung cancer and road accidents. That is why we have laws to discourage smoking and make the roads safer.

The problem in America is that individuals have to pay for their own health care. And here was a clear case of manufacturers concealing information about the safety of a product. In fact, the American settlement is limited to the period when the tobacco companies knew things that the rest of us did not. They suppressed findings on the link to can-

cer and consistently lied about the impact of cigarettes on health. For that, they should pay. By all means let us punish British companies if they have behaved as badly as their American cousins. The principle of reparation is right. It is the scale of the US settlement that seems strange. It is disproportionate to the culpability of the tobacco giants – wicked, greedy and, well, capitalist as they might have been. After all, we are talking about cigarettes. You do not need a laboratory full of corgis dosed up until half of them die to know that smoking is not particularly good for you. You do not need to read research papers

to know that it makes you cough. You do not need a PhD in pharmacology to know it is addictive. Now we know about cancer, it is up to the individual to choose whether to smoke or not (although the tobacco companies might want to contribute to schemes focused on the causes of smoking among young women). But it should also fall to smokers to pay the cost of treating smoking-related illnesses. In America, they now will. Here, they already do.

Yes, that's right. And no, we have not suddenly swallowed the tobacco industry's propaganda. In Britain, four-fifths of the price of cigarettes goes in tax. In America, the average is around one-third. In this country, the £1bn annual revenue from tobacco taxes easily covers the cost to the health service of treating tobacco-related illnesses, which is usually put at under £1bn a year.

We are not prejudiced against the United States in proclaiming the superiority of the British way. We are only prejudiced against lawyers. It is a paradox that the Land of Free is actually a land chained by excessive legislation, litigation and petty-bogging namby-pamby.

As Charles Arthur wrote in our pages last week, you almost expect paving stones there to be marked: "Danger: falling on this sidewalk can cause injury." It has become fashionable – not least in the Labour Government – to complain about excessive bureaucracy in the NHS. This is nothing compared with the vast, rickety network of pen-pushing, form-filling insurance companies, doctors and lawyers which "manages" health care in the US. This consumes a much larger proportion of America's much larger income than the NHS does in Britain, and yet it still fails to provide cover for some 35 million American citizens. These have to fall back, if they become ill, on the publicly-funded safety-net service known as Medicaid, and it was these Medicaid programmes which were at the centre of both the litigation against the settlement with the tobacco industry. In a sense, the American legal sys-

tem was ensuring a measure of social justice that we have secured in this country through our political system. The US tobacco companies will now have to put up the price of cigarettes by about 50 cents a packet in order to pay for some of the health-care costs of the less-well-off. The combination of tobacco taxes and an NHS free at the point of need achieves all this and more in Britain at a fraction of the cost in lawyers' fees.

## Yesterday's man and boy

We try, we try. But it is impossible not to be fascinated by the Conservative Party, a rump of 164 madmen whose recent power now seems so insubstantial. Cecil Parkinson as the driving force of party modernisation? Peter Lilley, the man who gave Labour the propaganda gift of abolishing the state pension, in charge of the policy review? Norman Fowler back, again, from spending time with his family? Brian Mawhinney as shadow Home Secretary? But above all, the appointment which confirms the Young Hague's genius for the popular touch: the idea that the people of this country would like nothing more than to be represented abroad by Michael Howard.

## LETTERS TO THE EDITOR

### High price of Millennium Exhibition

Sir: You report that the Millennium Exhibition is to go ahead – with an entry charge of £20 per person ("Blair to rescue of Millennium project", 20 June). This charge seems to be high, how does it compare with other top attractions nationwide? Surely the displays at the dome will have to be very attractive to deserve this price, particularly for visitors outside the south east. Even as a headline figure it says something about the sort of people this event is really aimed at.

Should the event fail to attract sponsorship and/or visitors it could cost the taxpayer a great deal – and even see out the Blair administration at the next election.

It could already be compared with Mitterrand's "Grand Project" in Paris – not least in its overall price tag.

WILLIAM HIRD  
Leeds

Sir: I sincerely hope that the Greenwich Dome is not Tony Blair's first mistake. The British Pavilion at the World Fair in Seville was designed and built without a thought to its function but was proclaimed as great architecture, even though it was completely useless as a showcase for British skills.

For goodness sake, let the Millennium team define the precise function of this new structure before it is built. The last thing we need is a massive and permanent exhibition space whose very design and construction contradicts its purpose and costs millions over the years to sustain.

GILES VELARDE  
Museum and Heritage Design  
Pen level, East Sussex

Sir: So Britain is to build a throwaway PVC-coated dome. Not only will it result in the production of dioxins but huge amounts of carbon dioxide as millions of visitors trek across the planet to witness the spectacle.

A fitting epithet it may be to this wasteful and polluting century but a more dismal celebration of the new millennium is hard to imagine.

Why not a ten acre wood planted by and for the citizens of every parish on land purchased with millennium money to create a natural theme park in everyone's back yard?

Or a similar parish area devoted to experiments in self-sufficient low impact housing? Or use the money to write off a slice of third world debt and give us something really to celebrate?

MARTIN HUGHES-JONES  
For Mid Devon Green Party  
Tiverton,  
Devon

Sir: The Prime Minister's boldness in giving the green light to the Greenwich Millennium site is to be respected and admired. The Great Exhibition and the Festival of Britain were much reviled before the event and equally admired in retrospect. The afterglow can only be enjoyed if the event actually takes place.

Even today Parisians regret the cancellation of the 1989 Paris Bicentenary Exposition – a true victim of gesture politics – as the "one that got away".

GEOFF KERSHAW  
Rickmansworth,  
Hertfordshire



### Settling NHS negligence claims

Sir: Professor Harris ("Patients' damages can wait, says professor", 20 June) addresses only part of the problems of malpractice litigation on the economics of the health service since he considers only successful claims. He does not consider unsuccessful claims.

Most medical negligence claims are legally aided and are unsuccessful. The Legal Aid Board generally relies on the advice of the plaintiff's legal advisers in deciding whether or not to fund an action.

This advice is not independent. It is not uncommon for such claims to be unsuitable or misconceived. A health authority, however blameless, is not able to recover its legal costs.

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## What the Butler saw – or did he?

Sir Robin Butler's role in the Aitken affair should make Labour rethink Whitehall's top job, says David Walker

**A**mong those to whom Jonathan Aitken lied and lied again was Sir Robin Butler, Whitehall's head prefect.

Thank goodness there are some gents left. Sir Robin (Harrow and University College) is a toff. Isn't it to his credit that, cusp to chap, the Cabinet Secretary should have believed Aitken, another toff (Eton and Christ Church)?

Alternatively, Sir Robin's role in the Aitken affair is clinching evidence that, at the very heart of the British state, most nights it's amateur hour. If the Cabinet Secretary, the impresario of Britain's still vast intelligence-gathering networks – the man who sees the communications intercepts, who knows just which members of British legations in Paris and Geneva let alone Abu Dhabi and Riyadh are spies – couldn't have the Aitken story double-checked, then those ornate and expensive Thameside palaces occupied by MI5 and MI6 might as well be flogged off tomorrow.

Are we seriously to believe that Sir Robin did not have the wit or the capacity to ask Stella Rimington of the Security Service – an old girl terms you understand – about Jonathan Aitken's business dealings at home and abroad? It's not, despite Aitken, a matter of corruption. After 11 years under Thatcher and Major, Sir Robin's moral antennae do seem somewhat underused. Yet the Cabinet Secretary's office remains a sleaze-free zone in the conventional senses of money and sex. And don't imagine that there aren't opportunities: even bureaucratic power can be an aphrodisiac.

The question is one of competence. Of course Sir Robin ensures Cabinet papers are printed and that the committees function – look how smoothly the machine has handled the transition to Labour. It's to do with the nature of his job. The truth is no one ever knows just how well or badly Whitehall's top people function because no one – except Sir Robin and cronies privately – ever asks. As for Sir Robin, questions about how well he does are out of the question since no official job description exists for the role, let alone performance reviews. The new Labour government, however, has a once-in-a-lifetime chance to change all that. Sir Robin is due to retire at the end of December. This gives Tony Blair the opportunity to stop and think about just what it needs at the centre of the centre.

Sir Robin doubles up as head of the civil service. So he is also notional manager of the Whitehall machine and ethical arbitrator for conscience-stricken colleagues. Is he qualified? He has – this

**Those ornate palaces occupied by MI5 and MI6 might just as well be flogged off!**

from his close colleagues – few skills as a personnel manager; the senior civil service is largely unmanaged.

Among his myriad jobs, Peter Mandelson is supposed to be contributing to Blair's thinking about the machine – as well he might, since Mandelson's own role is vitiated by the lack of clarity between the respective roles of professional government business manager and head of the machine. But will Mandelson even ask the right questions? So far no attempt has been made to bring in outsiders or look overseas; experienced civil servants outside the loop have not been consulted.

The case for splitting Sir Robin's job is strong. Civil servants at the centre desperately need managing, motivating and modernising – and if these strained circumstances that task needs combining with the permanent secretaryship of one of the mainstream departments, nobody I've talked to in Whitehall sees the least difficulty with making that arrangement work.

Because Whitehall is such a cosy place, some say there is no point in even pretending there are "objective" answers to how Cabinet decisions should be reported and progress chased through the machine. No, it's all a matter of the tiny group of personalities "in the frame" – the kind of people deemed to have the right kind of Whitehall background. Thus Sir Robin's replacement is just a matter of choosing, to name the obvious official candidates between the top men at the Home Office, the Ministry of Defence and Environment, Transport and the Regions.

It should not be this way. Sir Robin has been fighting hard to ensure that he is replaced in his joint role – so Buggins will get his turn. Labour may not care about openness – or even efficiency and effectiveness – in the central machinery of the state. But it surely cares for its own skin. Its success – its capacity to distinguish itself from its sleazy predecessor – surely depends on rejecting Sir Robin Butler's advice.



## Can Labour finally get the CSA to work?

by Polly Toynbee

**T**he Network Against the Child Support Agency has a website\*. Point your browsers towards it and there you will find, flamboyantly exposed, just what the Government is up against in trying to break the fathers' conspiracy to defraud the CSA.

The website headline proudly says: "Colluding to Defraud the State". No holds barred, it tells fathers how to cheat. It suggests fathers write semi-literary letters: "people are more likely to succeed if they come over as not very bright". It explains how the threat of violence to their ex-partner is nearly always accepted as a reason for the CSA to withdraw. Showing CSA officials evidence of damage done to a house by an ex-partner (such as broken windows) will usually have "an instant effect".

They know the CSA's weak points. "The CSA does not have the ability to investigate the evidence you give them." They know officials work to targets based on cases cleared rather than success in delivering money to mothers. "Every case closed is another goal reached. Provided they feel the story they are hearing fits within their terms of reference (whether they believe it or not) they are likely to close the case and move on to the next."

Fathers are part of the new government's CSA legacy from the Tories. Currently, over a third of absent fathers fail to pay anything at all. Half of those assessed are in arrears and less than a third comply fully.

But will Labour do any better? On Friday, Social Security Secretary Harriet Harman announced her determination to beat the fathers' resistance. First she set new CSA targets, with an extra 500,000 assessments to be completed by the end of the year.

"Completed assessments" may look good on paper but what matters is how much money is collected and transferred to lone mothers – not much so far. To remedy this she also announced a wide-ranging review.

The principle is crystal clear. Parents should be made to pay for their children. But that principle is undermined week after week by stories that beggar belief, leaving the CSA confronting human life at its most bizarre.

Take this terrible example only a couple of weeks ago. A 16-year-old schoolgirl ran off and set up home with her stepfather. Her poor mother was dunned by the CSA for maintenance of her daughter for £177 a month. Outraged, she refused to pay. But according to CSA policy, she must. "The agency has no discretion in this area," said a CSA spokesman.

Fathers often complain that their wives left them, so why should they pay? But pay they must.

bill was sufficient "provocation" to stab a man 10 times.

Public opinion is rarely on the CSA's side. The "poor fathers" campaign has been one of the most brilliantly mendacious ever\*

Public opinion is rarely on the CSA's side. The tabloids bouded it from the start. The shock-horror stories of fathers committing suicide because of CSA demands usually turn out to be nothing so simple. Men with tales of astronomical CSA bills often turn out to be defaulters with vast arrears. But those stories stick. The "poor fathers" campaign has been one of the most brilliantly mendacious ever.

So what can Harriet Harman's review do to ready the situation? First it will wring its hands at having to start from here. Tory Social Security Secretary Peter Lilley ignored all sound advice when he first set up the CSA. Eager to use it as a quick fix to plug his leaking social security budget, he very nearly killed off the golden goose at birth. Had he agreed not to reopen old cases and to start slowly with new divorces and separations, public opinion would have swung behind the CSA. But they overturned old court orders, disregarding capital settlements that fathers had given mothers. It was unfair and unworkable – and everyone warned him so at the time.

Trying to retrieve the situation, Lilley made things worse by appeasing fathers. He relaxed the tight formula for assessing incomes, creating new loopholes which fathers are eagerly exploiting – allowing them to deduct their housing costs (so they get themselves colossal mortgages) and allowing travel-to-work costs (in a Porsche). The review may well recommend removing these loopholes for new cases, returning to a simple formula based on income only. Currently a sum is included for "spousal maintenance" – ie for the ex-wife herself – on the grounds that the children need someone to look after them who herself needs looking after, but since this outrage fathers it could be converted to simple payments for each child.

Chasing the self-employed who hide their incomes in a hundred ways has become a nightmare. The Inland Revenue carries a much bigger stick when it comes to investigating false income declarations and should be made to help more – though rumours it will take over the CSA are wrong.

Most important, the agency should take on all cases – women not on benefit as well as the poor – to show it exists to help all women and not just to save social security money. That would change its reputation overnight. Other changes: a one-stop shop where the CSA assessment is processed on the same computer as benefits and women are given advice about jobs and childcare on the same day.

Women need to be shown that even getting a modest amount of maintenance can change their lives with costings to prove that it will be worth their while to work. Often mothers on benefit think maintenance is a waste of time as it is just deducted from their giro. There is much pressure for mothers to be offered a bribe to cooperate, allowing them to keep say £10 of any maintenance collected.

Alan Marsh of the Policy Studies Institute shows that it is the least qualified single mothers who stand to gain most out of maintenance from fathers. If they can get even £15 plus Family Credit, they are three times more likely to get a job and their average income goes up from £95 to £153. Marsh thinks letting mothers on benefits keep some maintenance would encourage cooperation, leading to floating battalions of them off income support and into jobs.

The name of the game for Labour is breaking the back of the fathers' disgraceful non-payment scheme. But that may not happen until the CSA gains itself genuine popular support as the friend of all lone parents – and the resisting fathers come to be seen as frauds not laddish heroes. Harriet Harman faces an almost intractable problem.

\* (<http://www.bninternet.com/~nacsu/collude.htm>)

In memoriam: the British strawberry

**M**ake the most of the strawberries at Wimbledon this week. Even if they cost you 18 pence each – as they did last year – they will at least be English. The native strawberry is about to become a threatened minority.

In 1996 only half the strawberries consumed here were home-grown. The amount of land given over to strawberry cultivation is in decline. On the past decade's trends it will not be long before watery foreign imports outnumber the indigenous. In fact, home-grown varieties of strawberry sold here are the single type known as the Elsanta, developed in Holland 15 years ago.

Elsanta is the supermarket dream fruit: bright appearance, long shelf-life and glossy, firm skin. It can be transported long distances without bruising. Its huge berry makes it quick and cheap to pick. It also has a number of drawbacks. Time for a jeremiad on the dynamics of modern consumerism.

First, this kind of fruit encourages the supermarkets in their strategy of centralised warehousing systems which means that, even if the berries

are grown locally, they must travel miles to a regional warehouse and then back to the supermarket. Trips of 100 miles are not uncommon.

But more than that, the majority of our strawberries now come from the south of Spain which means a 1,000-mile journey by lorry, adding further to road traffic, the fastest-growing source of the main greenhouse gas, carbon dioxide.

This is not to mention the berries which arrive from Kenya, Zimbabwe, Australia and even, across 13,000 miles, from New Zealand – air transport using 37 times more fuel than carriage by road.

That is not even the most grievous environmental cost. To kill off soil and leaf disease, most growers have abandoned techniques like integrated pest management or crop rotation and resorted to the use of the chemical methyl bromide which greatly increases the rate at which the ozone layer is destroyed. Firms such as Sainsbury's are researching alternatives, but none have yet been found. Pesticide residues, albeit at approved levels, were found in 88 per cent of berries sampled recently by SAFE, the Sustainable Agriculture

Food and Environment Alliance.

Then there is the question of jobs. Chemical-dependent cultivation is less labour-intensive than the old ways. Greengrocers close in the face of competition from the supermarkets as demand declines for the locally grown fruit which is more likely to be found in the corner shop.

Some of my complaint is just aesthetic. The attraction of any seasonal delicacy is diminished when it is available the year round. (This month, incidentally, is the time for eating peaches from the pod. And we are coming up to a good time for wild salmon: when the posh demand from Henley, Ascot and Wimbledon is over, there are good quantities on the market for about another month at more reasonable prices.) But the main thing is the taste of these woody, watery abominations which masquerade as the delight of which a friend of Izaak Walton once said: "Doubtless God could have made a better berry, but doubtless God never did."

It does not have to be thus. There are 60 or more strains of strawberry under cultivation in Europe, and in this country – even if the mushy hawthorn berry which Jane Austen pro-

mounced as "infinitely superior" has vanished – in some pick-your-own farms, renamed older varieties such as Cambridge Late Pine and Sir Joseph Paxton survive amid others such as Cambridge Rival and Cambridge Favourite. In private gardens it is still possible to find the delicious Royal Sovereign or Honeyepe, Tenura, Kouril and Arromel which are all too much trouble for large-scale production.

Afficionados can seek out organic growers who are concentrating on good old varieties such as Cambridge Vigour and Hapili which give off the most tremendous smell and taste as strawberries used to.

It would be good to think that consumer pressure is forcing a reappraisal by the supermarkets. Alas, not. Indeed, they are moving in the opposite direction. God might not have been able to make a better berry, but the genetic engineers are already working on the project of the perfect strawberry all year round: a case of strawberry yields for ever. And global warming will doubtless mean that we will be able to grow huge quantities of it. Enjoy!

Paul Vallely

## the commentators

### Fast food, slow witted: the story of the McLibel

**T**he oddest news of all in the last week or so has been the coverage of the McLibel case, which has been reported everywhere as if the losing side actually won. In case you have been away at the South Pole writing a symphony for the fast five years, let me recap briefly. A large American firm called McDonald's which sells hamburgers in fast food outlets decided to sue two anarchists who had been handing out leaflets in the street saying that McDonald's was a nasty big capitalist firm which chopped down rainforests and tortured chickens (not true, apparently).

Now, McDonald's has a widespread reputation for being quick to sue people for libel, so I must be careful here. I do not want to be sued for libel. Nor do I want to be sued for libel. Not even if I write about the lawyer from *The Independent* ringing up to say that McDonald's sells a bit near the wind, and it would be wiser if I wrote about Jonathan Aitken or devoted a whole article to somewhere that had recently gone safely out of business. But I think I can at least speculate on why McDonald's decided to sue two jolly anarchists for handing out a leaflet, a decision which in retrospect was one of the most unfortunate decisions that McDonald's has ever made, not counting its decision to sell its hamburgers outside the US.

Hold on, my phone is ringing.

Lawyer: "Mr Kingston, I wonder if you could modify that last sentence."

Me: "In what way?"

Lawyer: "Well, you suggest that the world would be a happier place if McDonald's had kept its hamburgers at home."

Me: "I certainly do. The world would be a happier place if the burger had never been invented."

Lawyer: "Hmmm. Well, I don't mind you saying that. But you'll have to be careful about what you say about the burgers made by McDonald's."

Me: "Why? Do they have a reputation for being quick to sue for libel?"

Lawyer: "Lawdy, lawdy, Mr Kingston, where have you been all these years? We must never say that someone is quick to sue for libel, or they might sue us for libel."

Me: "I didn't say they were quick to sue for libel. I said they had a reputation for it."

Lawyer: "Did you say the rest of this article is now sub judice."



Miles Kingston

reputation was well-founded?"

Me: "No, sirree."

Lawyer: "Mmmmm. OK. Carry on."

As I was saying, we can well speculate on why McDonald's decided to sue the two jolly anarchists. At one of its top-level meetings, one of its top executives may well have stood up and said:

"OK, guys. As you have heard, sales are dropping and profits are dropping, and our new products aren't doing too well, and even when we sell our burgers at a discount it isn't helping sales ..."

Hold on. Phone's ringing again.

Lawyer: "You can't say all that!"

Me: "Why not? It's all true. It was in the business pages the other day. The McDonald's American shareholders deeply unhappy, management bust-up forecast, marketing strategy goes badly wrong, etc, etc ..."

Lawyer: "Really?"

Me: "Yes. Honestly."

Lawyer: "If you say so. Carry on."

So this executive says, "OK, guys, this is what we are going to do. We are going to sue two unknown anarchist in Britain and initiate the longest-running libel case in history."

"Won't this make us look complete and utter idiots?"

Hold on. Phone again.

Lawyer: "Just checking. Did this board meeting actually take place or are you inventing it?"

Me: "Will you stop interrupting? Some people are trying to get some work done round here."

Lawyer: "All right. Mr Wise Guy. You've gone too far. I am now suing you for libel on the grounds that you have maliciously portrayed the lawyer for *The Independent* as an incompetent and out-of-touch ninny."

The rest of this article is now sub judice.



### WOULD YOU GIVE £1 TO HELP US FREE THIS STARVING HORSE FROM ITS PRISON?

This poor, suffering creature is one of twelve neglected horses to the nearest ILPH rehabilitation centre, where our staff are now working to save them.

Cruelty to horses is still too common in Britain. As a charity, we need your support. Can you spare £1 or more to help? The larger your donation, the more we can dedicate to equine welfare.

Please return the coupon today. Thank you.

### I WANT TO HELP STOP CRUELTY TO HORSES

I enclose a donation of £ to support your work (payable to ILPH please)

I would like more information about your work and how I can become a supporter.

Name:

# obituaries / gazette

## Lawrence Payton

Inclusion on the golden oldie format has spoiled many a record for the average listener, but with their breadth and their bounce "I Can't Help Myself", "It's the Same Old Song", "Reach Out (I'll Be There)", "Standing in the Shadows of Love", "Bernadette", "When She Was My Girl" and "Irresistible" by the Four Tops always sound fresh and vibrant and never fail to entice.

In a career spanning over 40 years and as many albums, the Detroit quartet, in which Lawrence Payton was second tenor and second lead vocalist, sold more than 50 million records and helped shape popular music. Indeed the stylised blueprint of their Motown years is still to be seen in today's US rhythm 'n' blues groups such as New Edition and Boyz II Men and teen acts such as Boyzone and 911.

Born in Detroit in 1938, Lawrence Payton spent his teenage years around the Motortown and went to the same school as Aretha Franklin. In 1953, along with Renaldo "Obie" Benson, Abdul "Duke" Fakir and Levi Stubbs, he was asked to sing at a friend's party. The foursome got on famously. The following day, they met again at Fakir's house and decided to call themselves the Four Aims. They began performing jazz songs and standards at local functions.

In 1954, a talent agency started to book the quartet outside Detroit; they would sing back up vocals and open for acts like Brook Benton, Count Basie and Billy Eckstine. Two years later, to avoid confusion with the Ames Brothers (a popular white group from Boston), they changed their name to the Four Tops and, in May 1956, recorded "Kiss Me Baby", a one-off single for the Chicago rhythm 'n' blues label Chess.

More unsuccessful recordings appeared on Red Top, Columbia ("Ain't That Love") and Riverside ("Where Are You?") but, all the while, the group was polishing its vocal arrangements, stage act and presentation.

In 1963, they eventually came to the attention of Berry Gordy Jr, a songwriter and entrepreneur who had already started to establish the Motown sound with artists like the Miracles (featuring Smokey Robinson), Marvin Gaye, Martha & the Vandellas and the Supremes (featuring Diana Ross). Gordy ran his Detroit label like a fac-

tory and a family with everything in-house: stylists, choreographers, recording studio, musicians, writers. At first, the Four Tops were signed to the Workshop label, a jazz subsidiary of Motown, and provided backing vocals for the rest of the roster. The team of Brian and Eddie Holland and Lamont Dozier were the hot composers at the time.

As Levi Stubbs recalls in Joe Smith's excellent collection of interviews, *Off the Record* (1988), the Four Tops were

watching the Temptations at the Grand Club in Detroit. Brian Holland came up to us and said: I think we have a song for you guys. It's 1.30 in the morning and he says: listen to it now.

We said why don't we go into the show tonight? He said OK, and after the show we went back to Hitsville and recorded "Baby I Need Your Lovin'" that night, our very first record on Motown.

That was one of the unique things about Motown. There was no set hours to do anything. If you came up with something creative at three in the morning, you called everyone up and everybody would get in their cars and ride down to the studio or the spot and do it. The song came out and it was a big hit.

Showcasing the group's strong harmonies and Levi's yearning lead vocals, "Baby I Need Your Lovin'" made the US Top 20 in October 1964. With the Holland/Dozier/Holland partnership providing the songs, the Four Tops were on their roll.

In June 1965, the catchy "I Can't Help Myself" reached number one in the US and sold a million copies. The quartet also had their first British hit with the song and toured the UK under the auspices of the Beatles' manager, Brian Epstein. Following the bouncy "It's the Same Old Song" and the moody "Loving You Is Sweeter Than Ever", the writers and performers surpassed themselves. The revolutionary "Reach Out I'll Be There" blended passionate vocals and a great sentiment with flutes, oboes and drums in a symphonic arrangement worthy of Phil Spector's Wall of Sound. It was a world-wide success and a Transatlantic number one in October 1966.

Gordy's boast that Motown was the Sound of Young America now proved true and the Four Tops were very much at the heart of the phenomenon. In 1967, the quartet scored four major hits: "Standing in the Shadows of Love", "Bernadette", "Seven Rooms of Gloom" and "You Keep Run-

ning Away". However, at the end of that year, the Holland/Dozier/Holland team fell out with Gordy over royalties and quit Motown. The Four Tops were left without their number one songwriting team, who subsequently set up their own Invictus label.

The group then came under the aegis of producers/writers like Frank Wilson, Smokey Robinson and Johnny Bristol. They marked time with soulful cover versions of the Left Bank's "Walk Away Renee", Tim Hardin's "If I Were a Carpenter" and Tommy Edwards's "It's All in the Game". The quartet broadened its range, singing the mellow "Still Water (Love)", collaborating with the Supremes (on the albums *The Magnificent 7* and *Return of the Magnificent 7*) and even attempting Jim Webb's "Do What You Gotta Do" and "MacArthur Park". In 1971, they also cut "A Simple Game", with the help of the Moody Blues, who had written the song.

By then, Berry Gordy had decided to relocate Motown from Detroit to Los Angeles and, even though Renaldo Benson had co-written the immortal "What's Going On" with Al Cleveland and Marvin Gaye, the Four Tops were feeling less involved. They also thought their boss was spending too much time promoting the careers of Diana Ross, Stevie Wonder, the Temptations and the Jackson Five.

In 1972, the quartet moved to the ABC/Dunhill label but, following the chart successes of "Keeper of the Castle", "Ain't No Woman (Like the One I Got)" and "Are You Man Enough?", the soundtrack to the blaxploitation movie *Shaft in Africa*, they lost their momentum. Lawrence Payton cut a solo album and they performed Stevie Wonder's "Isn't She Lovely" at Aretha Franklin's wedding in April 1973.

The group seemed about to throw in the towel and head for the cabaret circuit but instead, and not for the last time, they came back with a vengeance. Joining the Casablanca imprint in 1981, the Four Tops updated their sound and scored major hits with "When She Was My Girl" and "Don't Walk Away".

By 1983, they were back at Motown following a 25th anniversary television special during which they staged a mock battle of hits with the Temptations: the breathtaking medley and dance contest became one



The lasting power of soul music: Payton, bottom left, with, clockwise, his fellow Four Tops, Duke Fakir, Obie Benson and Levi Stubbs

Photograph: Gems / Redferns

of the highlights of the joint tour the two classic vocal groups then undertook. Holland/Dozier/Holland produced some of the *Back Where I Belong* album but R&B tastes had once again moved on and, after working with Phyllis Hyman on the ill-fated "Magic", the Four Tops explored other avenues. Levi Stubbs, the lead singer, lent his raspy tones to the man-eating plant Audrey II in the 1986 film version of the musical *The Little Shop of Horrors*. That year, the British protest singer Billy Bragg also paid tribute to the Four Tops' frontman in his poignant "Levi Stubbs' Tears".

Two years later, following a radical remix of "Reach Out I'll Be There", the Four Tops signed to Arista/BMG and were welcomed with open arms by the musical aristocracy. The *Indestructible* album with contributions from Smokey Robinson, Aretha Franklin, Huey Lewis & the News and Phil

Collins, relaunched them once more. With Lamont Dozier, Collins also composed for the group the infectious "Loco in Acapulco" which was featured prominently in *Buster*, his movie about the Great Train Robbery.

This new exposure put a stop to a spate of appearances by bogus Four Tops on the Spanish Costa Brava. Over the years, soul acts have had a tendency to splinter and carry on with one or two original members. In fact, the confidence tricksters had picked the wrong act to impersonate. Formed in 1953, the Four Tops had long laid claim to being the longest surviving intact group in the world. In 1990, Stevie Wonder duly inducted Obie Benson, Duke Fakir, Lawrence Payton and Levi Stubbs into the Rock'n'Roll Hall of Fame, thus putting a seal on an illustrious career. They had already been honoured by the Michigan State

Governor who declared an official Four Tops Day (29 July) to thank them for their contribution to American music and their civic activities in Detroit. In April this year, the quartet also got its own star on the Hollywood Walk of Fame.

With the beaming Lawrence Payton usually standing next to the lead vocalist Levi Stubbs, the Four Tops were supreme entertainers on stage. Their breathtaking vocal harmonies justified their perennial appeal and their standing as superb interpreters.

In spite of all the vagaries of fame and fashion, they came not only to exemplify the happy sound of the Sixties but also to embody the lasting power of soul music.

Pierre Perrone

**Lawrence Payton, singer: born Detroit, Michigan, 1938; married; died Southfield, Michigan, 20 June 1997.**

## Sue Sumii



Sumii: immense work

Why do some people, through no fault of their own, apart from the basic error of having been born, become outcasts of society – a society no longer desirable when even one of its creatures is rejected, mocked, excluded?

Such societies have always existed, in every region of the world, in the animal as well as the human realms. In Japan, unsuspected by the passing tourist, the company representative on a temporary stint, there exist a minority group, the *burakumin*, estimated at three million outcast people existing in some 6,000 communities scattered over the whole land and comprising over 2 per cent of the Japanese population. One of the various names for them is *hinin*, literally "non-humans". They have been discriminated against for centuries. *Burakumin* were originally people engaged in trades associated with animal slaughter (a crime in the Buddhist religion) and the handling and burial of the dead. They were therefore considered to be "polluted" and not fit to mingle with the rest of their fellow men.

Despite laws officially abolishing such racial discrimination, it still continues. Outside government buildings, huge

novelist Sue Sumii was born and this fact must undoubtedly have influenced her choice of subject matter, the daily lives of the *burakumin*. She started writing her great seven-volume saga *Hashi no nai kawa* (*The River With No Bridge*) in 1961, at the age of 59, an immense work of wide popular appeal that was to occupy her for almost the rest of her long life.

It was not the first time that a great Japanese novel had been written on such a subject. The poet and novelist Tōson Shimazaki published his first work of fiction on the *burakumin* phenomenon, *Hakai* ("The Broken Commandment"), in 1906, a landmark in Japanese realism. It is about a schoolteacher who keeps his outcast origins secret (in obedience to his father's "commandment") until the end of the novel, when he breaks his promise. It is one of the finest and most honest novels ever written in Japanese, with a hero and other characters of memorable authenticity, and with dialogue of untypical Japanese frankness.

Sue Sumii's story is also one concerning a *burakumin* youth who grows up under the burden of prejudice in a hypocritical society but fights to become a

leader in the *burakumin* liberation movement. *The River With No Bridge* has sold over eight million copies. It has twice been filmed, first in two parts by the politically engaged director Tadashi Imai in 1969 and 1970, and then by Yoichi Higashii in 1992. An English translation was published in 1992.

Sue Sumii had an unusually good education for a woman in a period of almost exclusively male domination, a form of sexual discrimination that she was also to fight against all her life. She graduated from Haramoto Women's High School, and at the age of 18 went to Tokyo to work for the publisher Kodansha. But after a couple of years she rebelled against working conditions that belittled women and resigned.

In 1921, she married Shigeru Inuta, a literary activist prominent in the proletarian agrarian movement producing "peasant literature" in defence of poor farmers. They founded the Peasant Literature Study Society, which was anti-authority and campaigned for sexual and social equality. It was also "anti-burakumin", so in 1935 they moved to Inuta's birthplace at Hitachinaka in Ibaraki Prefecture, where they worked on the land

and produced four children, two boys and two girls.

Sumii had started writing early in her life, mainly stories for young people associated with *nomin bungaku* or the agrarian literature movement.

One of these, *Yodake asakaze* ("Dawn-Daybreak") won Mainichi Publishing Culture prize in 1954. In 1957, the husband died, and in the following year she started writing the first volume of *The River With No Bridge*, which was first serialised in *Buraku*, the magazine of the Buraku Mondai Kenkyusho or Buraku Study Group. It was a huge success, and was published in hardback in 1961.

The book was based on her own observations of *burakumin* life, and tells the story of a boy growing up in an urban hamlet who becomes a member of the *suiseisha* or "Levellers" movement, the birth of which is described in vividly emotional scenes. The movement had started in 1922, when the first meeting of the group was held in Kyoto, and spread over the whole of Japan.

Sue Sumii was a pacifist as well as a writer against all kinds of discrimination. She used her royalties from her best-selling books to build a small cinema

and a lecture-discussion hall at her home in Ushiku City in Ibaraki Prefecture, where regular lectures and study groups drew hundreds of her admirers.

After completing the seventh volume of her great saga at the age of 90, she said: "I don't feel I'm getting old at all." So she started on the eighth volume, of which about a hundred pages had been completed before her death. A *Suiseisha* museum will be opened at Goshō, in Nara Prefecture, a museum illustrating the movement's history and also incorporating Sumii's archives.

She was a great woman, an enduring spirit in the call of human freedom from all prejudice. She helped the Buraku Liberation League, which led to the formation of a new international organisation, the Movement Against All Forms of Discrimination and Racism in 1988. Through the life and works of Sue Sumii, there still remains hope for us.

James Kirkup

**Sue Sumii, writer and campaigner: born Nara Prefecture, Japan 1902; married 1921; Shigeru Inuta (died 1957); two sons, two daughters; died Ushiku City, Japan 16 June 1997.**

banners hang proclaiming "Dowa monai" [assimilation] now!" (*Buraku* is no longer PC, though it is still used.) But few people take much notice of such empty exhortations. Employment, marriage, accommodation, education are still among the subjects for which people's family background is closely inspected, often by specialist detective agencies. Companies engaging new workers possess secret (and illegal) lists of inhabitants in the *burakumin* districts of cities, towns and villages.

One of the largest *burakumin* populations can be found in Nara Prefecture, where the best-selling anti-discrimination

novelist Irvine Laing QC, Lord Chancellor, 57; Miss Miriam Karlin, actress, 72; Admiral Sir Horace Law, 86; Sir Peter Milliet, a Lord Justice of Appeal, 65; Lord Newall, chairman, British Greyhound Racing Board, 67; Miss Maggie Philbin, broadcaster, 42; Mr James Plaskett MP, 43; Mr John Prebble, novelist, historian and playwright, 82; Sir John Pringle, a judge of the High Court of Northern Ireland, 68; Sir Martin Rees, Astronomer Royal, 55; Professor Isaac Schapera, anthropologist, 92; Lord Soulsby of Swaffham Prior, Emeritus Professor of Animal Pathology, Cambridge University, 71; The Right Rev Keith Sutton, Bishop of Lichfield, 63; Mr Anthony Thwaite, poet, 67; Colonel John Timmins, Lord Lieutenant of Greater Manchester, 65; Miss Irene Worth, actress, 81.

Anniversaries  
Births: Gisela Mairi MacCannachie, Amadeus Furlong and Cornelius Furlong, Mr Howard Langford was best man.

BIRTHS

**WIRZ / WHITAKER:** And Wirz and Sandie Whitaker are pleased to announce that their marriage took place in Gretna Green on 21 June 1997.

For Gazette BIRTHS, MARRIAGES & DEATHS, please telephone 0171-293 2011 or fax 0171-293 2010. Charges are £5.50 a line (VAT extra).

ROYAL ENGAGEMENTS

The Queen and The Duke of Edinburgh will be present at the Royal Wedding of Prince Edward, Earl of Wessex, and Sophie Rhys-Jones on Saturday 19 June 1997. The Queen and The Duke of Edinburgh will be present at the Royal Wedding of Prince Edward, Earl of Wessex, and Sophie Rhys-Jones on Saturday 19 June 1997.

Changing of the Guard

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## Retailers' results will offer important clue to direction of interest rates

With growing evidence shop sales are surging and could tempt the newly independent Bank of England to lift interest rates next month, it is, perhaps, fitting that retailers are due to play a big role in this week's results programme.

May's retail sales recorded a sharp gain. And that was before Halifax and Norwich Union took became available. With Woolwich due next month and the conversion bandwagon gathering strength all the signs of a relentless spending spree are erupting.

Asda, Great Universal Stores and Harvey Nichols make up the retail contingent.

The superstores chain, producing year's figures on Thursday, is finding itself increasingly under the stock market microscope with a number of analysts extremely cautious. Under Archie Norman, Asda staged a dramatic revival. When he arrived the group was past its sell-by date and seemed

destined to fall victim to a rescue takeover bid at a knock-down price.

The shares bumped along at 22p in 1993; a few weeks ago they touched 129p.

The Norman conquest was a remarkable achievement. He

transformed the business from the favourite target of stand-up comedians to a highly sophisticated retailing operation challenging the might of Tesco.

But nowadays Mr Norman is a Tory MP, devoting just two days a week to Asda.

There is no doubt the group has a first-class management team and on a day-to-day basis the Norman presence will not be missed. There are, however, worries the inspirational touch, so essential to a big retailer, will no longer be as sharp and Paul Smidley, analyst at Crédit Lyonnais Laing, declared last month: "There is a tone of desperation to some of Asda's trading moves of late."

The market has been ruffled

by its short-lived pursuit of the Welcome Break motorway services stations. Its now-ended interest in the up-for-sale Littlewoods stores was regarded as another worrying development.

Thursday's results will be

starting around £420m against £304.6m. But they will include £80m from the sale of a stake in Allied Carpets. Stripping out the Allied windfall, profits will be some 12 per cent higher at £340m.

Tony MacNearney and Mike Dennis, analysts at NatWest Securities, have taken a negative view of Asda for some time and believe the shares should be sold. They see sales growth slowing, margins squeezed and "Asda delivering only limited shareholder value compared to its major rivals".

Great Universal Stores, once known as "gorgeous Gussies" in the market, is expected to suffer the indignity of a profit's fall when it reports on



### STOCK MARKET WEEK

#### DEREK PAIN

Stock market reporter of the year

Thursday. A 3 per cent decline to £540m is likely.

Under new chairman Lord Wolfson of Sunningdale, the super-secretive catalogue

shopping group, a veritable sleeping giant with a huge cash pile, has had an energetic year. It splashed out £1bn, its first big deal for 30 years, for Experian, one of the biggest business information concerns in the US.

So last year's £1.2bn cash mountain will have been seriously eroded although a subsequent property deal with British Land will repair some of the damage.

Lord Wolfson is clearly intent on keeping GUS on a much more adventurous course. Many parts of the jigsaw have yet to be put in place. One possibility the market still ponders is an agreed takeover for Next, the high-street trend-setter.

Shares of Harvey Nichols, which has reaped rich rewards from its *absolutely fabulous* association, have lost much of their glitz as the appeal of the stores sector has diminished. Year's profits today should be around £13m, up from 29.2m.

A Harvey Nicks opened in Leeds in October and the Oxo restaurant in London are regarded as the Hong Kong-controlled group's pace-setters. More stores and restaurant openings are planned.

Other groups which could hope to enjoy some of the conversion cash include First Leisure Corporation; brewer Greene King and upmarket house builder, Berkeley.

FLC's half-year results tomorrow will create little excitement; they are likely to be near to last year's £16.4m. But the occasion will give the new chief, Michael Grade, the former head of Channel Four TV, a chance to articulate the group's development plans.

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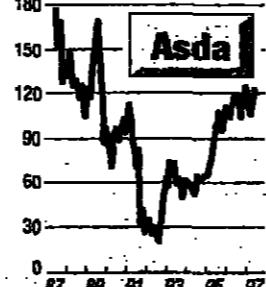
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Balma, an environmental engineer, may, at best, collect a tiny slice of the conversion bonanza. Even so its results and accompanying statement deserve careful attention. Around £39.5m against £33.6m is expected. Still, any sort of increase tomorrow will ensure the group's 21st year of uninterrupted profits progress. Quite an achievement.

#### Share spotlight

share price, pence



#### Share Price Data

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Source: FT Information

For a 45 per cent upsurge to £35.7m.

Berkeley, planning to transform the old Harrods depository at Barnes into a luxury residential complex, should have enjoyed an exceedingly good year and projections of £61.5m against £43.3m have been made for Thursday's profits.

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# business & city

Business news desk: tel 0171-293 2636 fax 0171-293 2098  
BUSINESS & CITY EDITOR: JEREMY WARNER

## G7 warns UK must raise rates

Brown 'must keep inflation under control and maintain budget deficit reductions'

Diane Coyle  
Denver

The club of leading industrial nations warned Gordon Brown, attending his first G7 summit this weekend, that the UK would need to raise interest rates and reduce government borrowing to prevent the economy from overheating.

The UK "must keep inflation pressures under control and maintain budget deficit reduction", according to the summit's economic statement. It also backed the Government's diagnosis that Britain needed to undertake reforms of the education system and welfare.

The warning about interest rates and budget policy, which emerged from the G7's normal discussion of the performance of member economies, was neither unexpected nor unwelcome to the Chancellor.

Mr Brown said: "The world's finance ministers have endorsed the agenda I am pursuing in Britain - long-term monetary stability through our reforms to the Bank of England, long-term fiscal stability and reform to raise the long-run growth potential."

These, he said, would be the key themes of his first Budget. He also hailed what he said was the G7's recognition that better education and training and welfare state reform were needed to ensure the benefits of growth reached the many and not the few.

The prospect of rising interest rates in the UK took the

pound above DM2.85 to its highest since July 1992 at the end of last week.

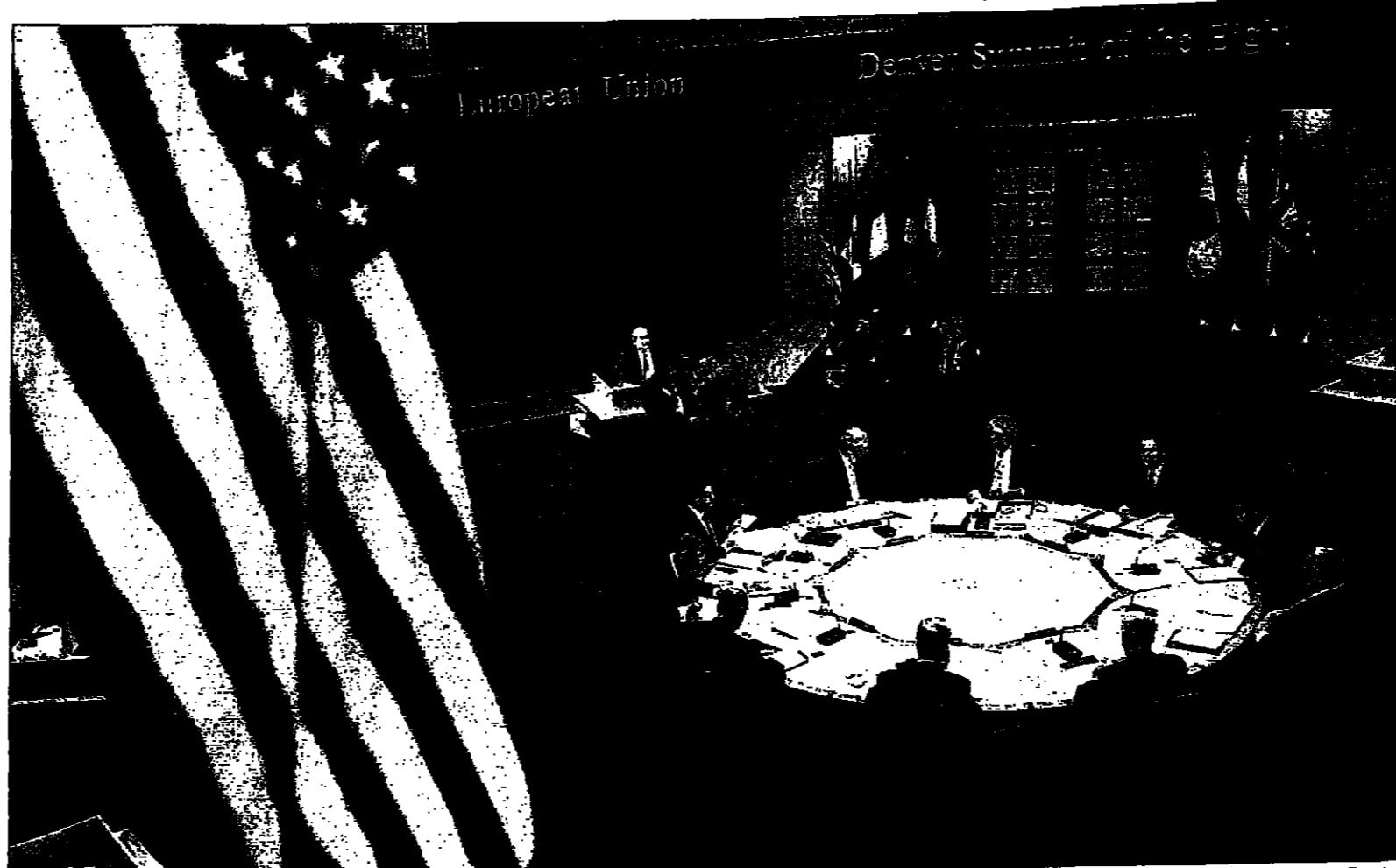
This weekend's statement from the finance ministers, meeting as the Seven, without Russia, was generally optimistic. But US triumphalism about its extraordinarily healthy economy did not play well with the other delegations.

President Bill Clinton displayed it well in a weekend radio address: "Our economy is the healthiest in a generation and the strongest in the world, with the lowest unemployment in 24 years, the lowest inflation in 30 years, the biggest decline in inequality among our working families since the 1960s, and over 12 million new jobs."

British sources said Tony Blair had a great deal of admiration for President Clinton's record on job creation, and that the UK and US shared a common economic agenda.

However, officials from other countries indicated they were looking forward to a more constructive and detailed discussion about Europe's employment problems at the two summits to be hosted by the UK next year. A G7 jobs summit will take place in February, and the annual summit will be held in Birmingham in June.

The Prime Minister laid the ground for this yesterday, launching a discussion on how the world's richest countries should cope with the globalisation of the world economy. Britain intends to focus on specific proposals for improving



Playing cool: The G7 meeting in Denver yesterday where concerns were expressed about Britain's economy overheating

Photograph: Reuter

employability and fostering job

creation.

The ministers meeting in Denver at the weekend said prospects for the world economy were very favourable, although most of the big economies needed further reductions in government budget deficits. Continuing non-inflationary growth was in prospect,

with the German and French economies likely to improve.

The statement warned of the need for further deregulation of the Japanese economy, especially as the Japanese government has no other policy options open to it. Deregulation was the theme of the new trade accord between the US and Japan announced on the eve of

the summit, with America playing an advisory role in the reform of four key sectors of the Japanese economy.

For the first time the finance ministers commented on the European single currency, saying it was important that it was underpinned by sound macroeconomic and structural policies. However, it disappointed

the EU Commission, which had hoped for G7 backing for the single currency.

A separate report from the finance ministers reviewed the progress made on improving international financial supervision since the Mexican crisis exploded two-and-a-half years ago. New arrangements for funding future international rescue pack-

ages were finalised last autumn. The G7 wants further progress on co-operation between different national regulators.

President Clinton said: "Our finance ministers have agreed that we should create a global network of banking and marketing officials to monitor financial policies and police risky practices."

Barclays scotches NatWest bid talk

Michael Harrison

Barclays Bank yesterday poured cold water on reports it is considering a bid for its high street rival, National Westminster Bank. A spokesman said: "It is pure speculation. As far as I am aware there is no basis of truth in it." Industry observers were also doubtful whether a bid would be made and even more dubious about its prospects of getting past the competition authorities.

NatWest is seen as being vulnerable to a bid after its failed merger approach to Abbey National and the profits warning which accompanied last week's departure of Martin Owen, chief executive of its investment banking arm, NatWest Markets.

But a spokesman said he had not received any approach from Barclays, nor was there pressure from institutional shareholders for further top management changes. There have been mutterings about the position of Lord Alexander, its chairman, and Derek Wanless, chief executive.

A merger between Barclays and NatWest would create a banking colossus equal in size to Lloyds TSB in terms of market capitalisation. But it would face daunting political and regulatory hurdles because of the heavy job losses and branch closures that would inevitably follow and the dominant position in personal banking and corporate lending.

Together, Barclays and NatWest would account for 40 per cent of all personal bank accounts in the UK and over 50 per cent of the market for lending to small and medium-sized businesses. A merger would also bring together the country's two biggest credit card issuers.

For those reasons one banking source said yesterday: "I cannot think this is a serious proposition." It was also pointed out that Martin Taylor, chief executive of Barclays, is not interested in turning the bank into a monolith, believing the quality of its loan book is far more important than its size.

Barclays is capitalised at £17.7bn and has 8 million customers, 85,000 staff, 2,000 branches and total assets of £186bn. NatWest is valued at £12.8bn and has 7.5 million customers, 71,000 staff, just over 1,900 branches and assets of £85bn.

Mr Owen's departure follows the discovery of a £90m hole in NWM's interest rate options business. He is expected to receive a pay-off of about £1m. The trader at the centre of the losses, Kyriacos Papoulias, left NatWest last year and four other senior managers have been suspended. Separately there were reports yesterday that NWM's equity business has been put under review.

GAVIN DA

## Shake-up for Private Finance Initiative

Michael Harrison

The Private Finance Panel is expected to be abolished today by the Government as part of a sweeping overhaul of the way public projects are funded through the Private Finance Initiative.

Geoffrey Robinson, the Paymaster General, will announce the changes following a month-long review of the PFI carried out by Malcolm Bates, former deputy managing director of GEC. Other changes are expected to involve a reorganisation of the Private Finance Executive and a strengthening of the private finance units operating within individual government departments.

Mr Robinson sacked Alastair Ross Goobey, the chairman of the Private Finance Panel, when he launched the review in May.

Now the remainder of the 10-strong panel is expected to be disbanded and responsibility for the initiative shifted to a public-private taskforce set up within the Treasury and reporting direct to Mr Robinson.

The aim of the review was to speed up the flow of PFI projects which are targeted to reach £14bn by the end of 1998. As a first step, Mr Robinson scrapped the rule whereby all Whitehall capital spending projects had to be tested against the PFI before being allowed to proceed. He has also announced a new focus on priority projects within government departments and new legislation to help deliver large hospital and local authority PFI projects.

The remit given to Mr Bates, now chairman of Premier Farnell and the insurance group Pearl, was to examine the roles

of the Panel, the Executive and the new Treasury taskforce and tackle policy issues such as how to make it easier to do PFI deals. He reported his findings to Mr Robinson 10 days ago.

Mr Ross Goobey, chief executive of the pension fund manager Hermes, has been chairman of the Panel since May 1996. Other members of the panel include Neville Simms, chief executive of the construction company Farmac, Murray Stuart, chairman of ScottishPower, and Steve Robson, a senior Treasury official.

Its chief executive is David Steeds, previously corporate development director with Serco Group.

Although the universal testing rule has been abandoned, Mr Robinson made clear that departments could not expect any increase in their capital budgets.

Under Mr Edmonds, Railtrack has also had increasingly severe public spats with the rail

regulator, John Swift QC, and the Government. He joined the company, then British Rail, in 1960.

Railtrack, which has already employed London-based head-hunter Spencer Stuart, is believed to be looking outside the rail and utility sector for a "big hitter" with broad commercial experience.

One observer said the change was welcome: "The problem with Railtrack is that it is still hide-bound by public sector thinking. British Rail has always looked for ways not to spend money and that is rather the feeling with John Edmonds."

"The company needs someone who wants to spend and is committed to investment - someone with a bit more flair and flexibility."

After floating in May last year, Railtrack was heavily criti-

cised over low levels of investment in renewing and expanding the rail network. Analysts say that pressure from the rail regulator to make Railtrack

more accountable and Transport Secretary John Prescott's recent hints that Railtrack is liable for the windfall tax increases pressure for change.

"Railtrack's boss should be someone who can negotiate firmly with the regulator, someone who's been around the block a bit more than Edmonds," another analyst said.

However, some analysts think Railtrack will find it hard to attract someone of the right calibre. One said: "I think there is a possible problem for someone coming into this culture from the commercial sector. Over the past six months Railtrack has gone backwards."

Pay will also be a factor. In 1995/6 Mr Edmonds earned £136,000 basic salary and £216,000 with benefits and bonuses. "They will certainly have to pay the new man more."

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Sidelined: John Edmonds is expected to retire early

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### IN BRIEF

#### Manufacturing pay awards kept down

Pay settlements in manufacturing remain subdued despite falling unemployment, figures released today by the Confederation of British Industry show. According to the CBI's latest pay database survey, awards averaged 3.3 per cent in the three months up to the end of April, compared with 3.2 per cent in the first quarter of the year. Nearly four in 10 manufacturers said pay awards were being kept down by their inability to increase prices while a quarter identified low profits as an important factor.

#### Department store sales up 10 per cent

The department store sector is one of the fastest-growing retail markets in the UK despite being consistently written off as a dying breed, according to a report by Corporate Intelligence on Retailing. The top 50 department store groups increased their sales by 5.7 per cent to £5.2bn in 1995/96 with an acceleration to almost 10 per cent estimated for 1996/97. This compares with equivalent growth rates for the whole of the retail trade of 3.9 and 4.2 per cent respectively.

#### Firms to outsource customer service

More than half of the UK's top 1,000 companies are considering outsourcing their customer service operations over the next three years, says a survey released today. Ventura, the customer service group, says the trend towards outsourcing is being driven by more demanding consumer expectations. Compared with five years ago, 86 per cent of customers expect a better service, 47 per cent complain more and 83 per cent think British services is "a great deal worse" than in the US.

#### CWC stirs up business phone price war

The price war in the business telephone market intensified yesterday after Cable & Wireless Communications launched what it claims is the lowest local daytime rate costing 1.8p a minute. CWC, which comprises Mercury, Bell CableMedia, Nyxex and Videotron, is also introducing new national and international rates, which it says undercut BT by between 39 and 48 per cent.

#### Oppenheimer starts European operation

The US investment bank Oppenheimer & Co is to launch a European investment banking operation focusing initially on the information technology and healthcare sectors. The new division will be headed by Adrian Mertyman.

## Northern Electric and Calortex in alliance talks

Chris Godsmark  
Business Correspondent

Northern Electric, the US-owned regional electricity company, is in talks with Calortex, the UK's leading independent domestic gas business, which could see the two companies form an alliance to make a joint push into the emerging competitive energy markets.

Calortex's 50 per cent shareholder, Calor Group, has put part of its stake in the business up for sale and is understood to have held discussions with at least three regional electricity companies (RECs). Northern Electric is thought to be the main bidder left in the ring, though power generators and

some energy companies have also been approached. The other Calortex shareholder, Texaco, has decided to hold on to its investment.

The Association of Energy Suppliers, to be formally announced on Wednesday, is an attempt to head off growing criticism of doorstepping practices in the domestic gas competition trials in the south of England. The code will, for the first time, include a tribunal panel with sanctions available if members misbehave.

One supplier, Eastern Natural Gas, has faced strong

criticism from the Gas Consumers Council and watchdog, Ofgas, after members of its sales force allegedly told customers British Gas had changed its name to "Eastern".

The move by Calor comes after its majority shareholder, the privately owned Dutch food and energy company, SHV, took full control of the company earlier this year in a £250m agreed bid. SHV wants to cut its stake in Calortex to around

15 per cent to free up resources for liquid petroleum gas projects in developing countries.

Sources suggested Calortex was likely to spend more than £30m this year on its assault on the domestic gas market and could raise this spending in

1998 as full competition emerges. Most of the cash has gone on building computer databases, billing systems and in marketing expenses.

Figures released to the industry last week by Ofgas, the watchdog, showed 370,000 customers have so far switched from BG to new suppliers out of 2 million households taking part in the competition trials.

Numbers moving to independent gas companies are running at about 10,000 a month, with Calortex thought to have grabbed well over 100,000 customers.

Calortex has managed to maintain its lead over Eastern and ScottishPower in the trials, though the biggest challenge

facing all the participants will be the opening of a third trial area later this year covering 2 million homes in Scotland and the North-east of England. Independent suppliers will meet Clare Spottiswoode, the regulator, today and are expected to delay the Scottish trial from October to mid-November.

TransCo, the BCN pipeline business, had planned for more time to build a new computer database to track customers as they moved supplier.

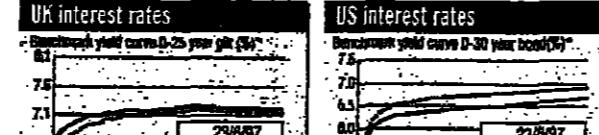
The shape of the emerging domestic gas market has surprised observers after the big supermarket and oil giants decided not to participate. They have been put off in part by non-existent profit margins.

### STOCK MARKETS



Source: FT Information

### INTEREST RATES



Source: Merrill Lynch

### MAIN PRICE CHANGES

Indices	Price	Wk Chg	% Chg	1996/97 High	1996/97 Low	Yr Ago



GAVYN DAVIES

**T**here is no reason public debt should be eliminated altogether, even in the most draconian theory of public finance. It is sufficient to ensure the debt/GDP ratio is stable, or that public assets rise in line with public liabilities'

## How Brown could frame his fiscal stability pact

**O**ne of the first acts of the Labour Government was to put into place a new framework for the operation of the Bank of England which aimed to enhance the effectiveness, transparency and accountability of monetary policy-making in this country. Unveiling this reform, the Chancellor said he was introducing a British solution to a British problem, implying the new framework was intended to operate outside EMU, rather than providing a bridge that would make entry into EMU more likely. Indeed, several aspects of the new system were not compatible with EMU membership, thus emphasising that the Government was preparing for at least a period of life outside the single currency.

After his success with the new monetary policy framework, the next item Gordon Brown might examine is the parallel framework for fiscal policy outside EMU. After all, the signature last week of the Stability Pact in Amsterdam has taken care of that problem for future EMU members but, as in the case of monetary policy, countries remaining outside the single currency will need to act for themselves. While there is no urgent need to make changes to our present mechanism, there could be advantages in so doing, and I would like to put some possibilities on the agenda for discussion.

The importance of the Stability Pact for future EMU members has not been fully grasped. At Amsterdam, member states signed a resolution that promised that after EMU they would aim to hold their budget positions "close to balance or in surplus" over the medium term. Although resolutions are simply statements of political intent, without the full force of Community law behind them, this announcement is a big step in the direction of a "balanced budget constitutional

amendment" for the EU. The accompanying regulation agreed in Amsterdam, which does have the force of law, would punish countries only if they allowed their budget deficit to exceed 3 per cent of GDP, but there will be continuous EU surveillance procedures based on the medium-term objective of budget balance.

It seems that the Council of Ministers will be able to recommend that member states should make changes to their plans to ensure the balanced budget objective is respected in the medium term.

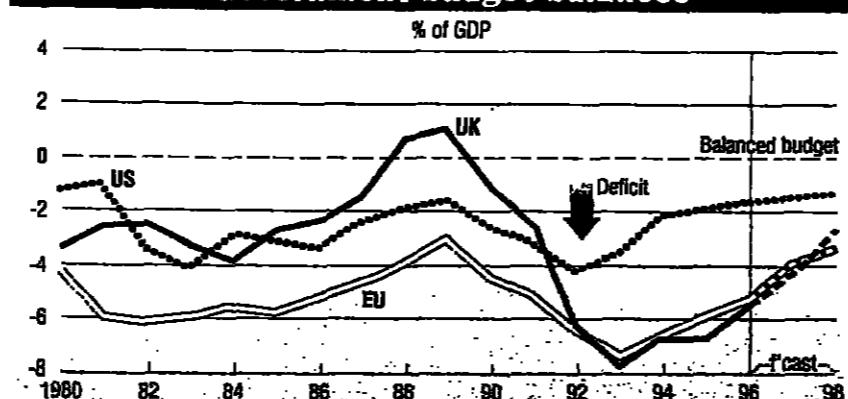
This amounts to nothing more than moral suasion, but over time it may become increasingly difficult for EMU members to present medium-term plans to the EU on any basis other than fiscal balance. The same may be true, incidentally, in the US, where the balanced budget constitutional amendment failed by one vote in the Senate last year, but has now been replaced by an agreement be-

tween President and Congress to eliminate the government deficit by 2002.

Given all this, it is tempting to conclude that the UK should simply submit itself voluntarily to the medium-term objective of the Stability Pact (though obviously not to the fines), even if we do not join the single currency. But there are problems with this approach, since the objectives of the Stability Pact do not necessarily coincide with those contained in the Labour manifesto. Before the election, the Government promised that the ratio of public debt to GDP would be stabilised at a low and prudent level, and pledged it would maintain the "golden rule" of public finance, whereby the public sector would borrow only to invest.

These two commitments translate into targets for the budget deficit of 2.5 per cent and 1 per cent of GDP respectively, both much higher than the budget balance criterion in the Stability Pact.

### Government budget balances



In my opinion, the Pact is unnecessarily tough, and the Brown criteria are basically superior. The EU requirement to balance the budget over the medium term implies that the outstanding stock of public debt will in future be unchanged in nominal terms, which in turn would mean it eventually dwindles almost to nothing compared to the rising level of GDP. There is absolutely no reason public debt should be eliminated altogether, even in the most draconian theory of public finance. It is sufficient to ensure the debt/GDP ratio is stable, or that public assets rise in line with public liabilities, whichever is the tougher objective. This is the thinking behind Mr Brown's "criteria".

One option for the Chancellor would therefore be simply to reiterate his twin targets in each Budget speech, and to ensure that his fiscal programme matches these requirements each year. This would essentially maintain the present system unchanged. However, the case against this procedure is that the budgetary process is subject to political manipulation, as we saw in the final Ken Clarke Budget, which made a series of questionable assumptions to flatter the state of the public finances. This tendency to bend the rules of public finance around election time imparts a long-term upward bias to the level of public debt, and it would be useful to have a countervailing force in the system to make this more difficult.

In New Zealand, the Fiscal Responsibility Act of 1994 was passed to address this need. It was designed to improve the transparency and accountability of fiscal decisions, without eliminating the justifiable right of elected politicians to adjust the budgetary stance when they choose to do so. An equivalent Act in the UK would do the following: first, it would establish over-arching

long-term objectives for public debt management – called the fundamental principles. These would be the golden rule, or the stability of the debt/GDP ratio at a prudent level, whichever was the more stringent objective. (The relationship between the two would vary over time, depending on the level of public investment.) Second, it would establish a set of accounting practices and disclosure requirements which would make it difficult for the Chancellor of the day to manipulate the published accounts to his or her own advantage. Third, it would establish a reporting procedure the Chancellor would need to use if there were any short-term deviation from the fundamental principles. One option here would be for the Treasury to produce a Green Budget document around four months before the Budget itself, and to have this document subjected to scrutiny by the Commons Select Committee on the Treasury.

Fourth, an independent body would be given the task of examining and publishing a report on the fiscal arithmetic, both at the Green Budget stage and immediately after the Budget itself. This independent body could be the National Audit Office, employed by Mr Brown last week, but it would need to beef up its level of economic expertise if it is to be taken seriously in a wider role.

The overall objective of these reforms would be to ensure that future Chancellors would not be able to bloat the level of public debt without this being open to full public scrutiny and debate. The aim would not be to prevent fiscal policy from responding to short-term economic needs, but to make such decisions transparent and subject to political accountability. In these respects, the reform would be the fiscal hand-maiden of the Bank of England Independence Act shortly to be presented to Parliament.

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## news

**This river was once full of precious gems. Now there aren't enough to make a necklace**



## Quest for the last of the pearl mussels

**P**earl fishing is something most people would associate with the tropics, so it might come as a surprise to learn that the exploitation of the freshwater pearl mussel in Britain's chilly rivers has driven the species to the verge of extinction.

Graham Oliver, marine biologist and head of Biodiversity and Systematic Biology at the National Museum of Wales, is calling for a blanket ban on pearl fishing.

"You have to open thousands of mussels to find a gem-quality pearl. While it is possible to do this without killing the mollusc, cowboy fishermen don't even bother to try and return the mussel alive," he said.

"In addition to fishing, juvenile mussels are being suffocated by algae which have increased hugely in quantity because they flourish on the nutrients in the water caused by fertiliser run-off and slurry," he added.

Commercially viable gems have been extracted from the pearl-yielding animal since Roman times. The pearls are produced when an irritant such as a grain of sand enters a mussel's shell. The creature secretes nacre - mother-of-pearl - to envelop it and prevent irritation.

The pearl fisherman ploughs through the river wearing all-over waders and bearing an ash pole fixed up like a 6ft clothes peg, and carrying a bucket with a glass bottom in his free hand.

He puts the bucket most of the way in the water and sticks the whole of his face in the open end. After that he walks



Hidden treasures: Graham Oliver, top, seeking the elusive freshwater pearl mussel. Photograph: Rob Stratton

Nowadays, pearl fishing is a cottage industry. However legitimate operators, together with ruthless opportunists hoping to cash in on the phenomenon, have all but destroyed the species.

This, despite the Government's decision to strengthen conservation of the pearl mussel earlier this year under the Wildlife and Countryside Act.

The Joint Nature Conservation Committee recommended the changes to John Gummer, the former secretary of state for the environment, last February amid concern about the species.

On the other side of the argument, however,

a total ban would threaten the livelihoods of the few who have persisted with this ancient tradition. Graham Oliver acknowledges this, but believes prohibition is the only way in which the freshwater pearl mussel's future can be safeguarded.

"Implementing a complete ban is the only way forward; any other method

would be impossible to police. We need to act quickly, research has shown undeniably that heavily fished waters do not recover," he said.

The River Wye, which runs through Mid Wales and Herefordshire, is a prime example of the effects of over-exploitation. In the 1920s it was known to

have a thriving population of pearl

mussels, but a recent survey commissioned by English Nature recorded only 22.

Adrian Fowles, invertebrate ecologist with the Countryside Council for Wales (CCW), agrees that the prognosis is not good.

"Following a number of studies, the feeling is that the British population is on a knife-edge. The species has a fascinating

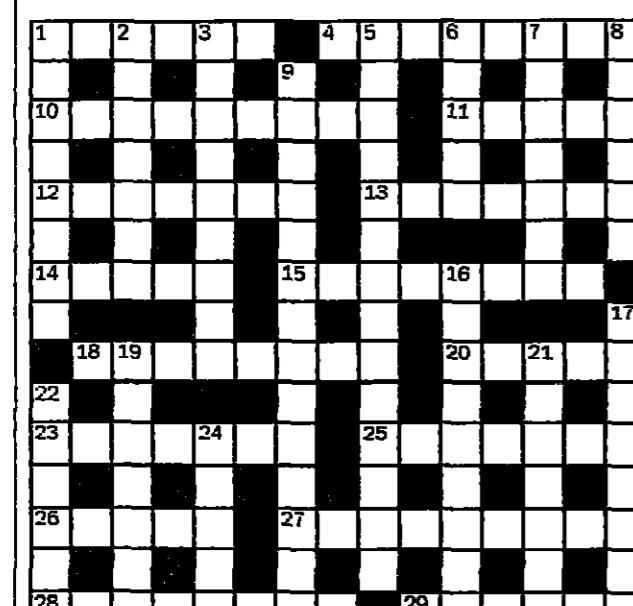
life cycle – it lives to be a hundred years old, dispersal of the young is achieved when juveniles attach themselves to gills of passing brown trout, which is an effective means of establishing colonisation upstream – I just hope that we are not already too late to save it."

Nerys Lloyd Price

### THE INDEPENDENT CROSSWORD

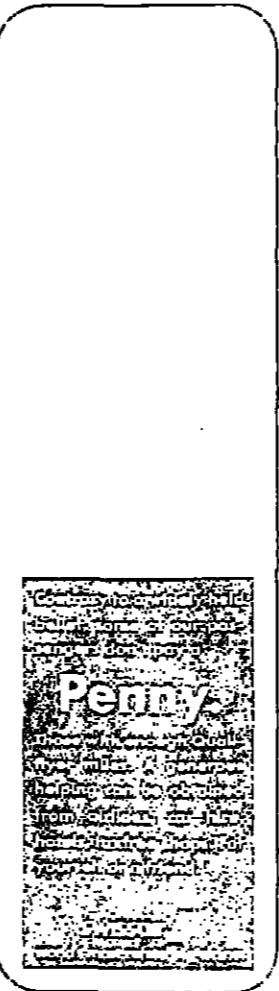
No. 3332, Monday 23 June

By Portia



- ACROSS**
- Reserved object of note (6)
  - Want others replaced with silver filling (8)
  - He needs a hand in order to cheat (4-5)
  - Double line swallowed by gull (5)
  - Advertise further (7)
  - Restrain one's feelings over key charge (7)
  - Middle-men thus invested in premier race-course (5)
  - Reverse of colleague's situation (8)
  - Exercise in progress involving long and thin water organisms (8)
  - Conclude one's right about name of metal (5)
  - Lounge chair isn't quite finished (7)
  - Battle ground project to go ahead (7)

- DOWN**
- Make out guy's upset over nobody joining (8)
  - Isolates brownish coloured sulphur (7)
  - Girl's familiar with Irish county (9)
  - Is not a long distance athletic event (3,4,3,4)
  - Crest is a feature of hybrid geese (5)
  - Hear a particular delegate (7)
  - Quarter only receiving German issue (6)
  - Two are keen then to resolve joint problem (5,2,3,4)
  - Lazy and don't sell as much (9)
  - Reading novel, having time and inclination (8)
  - Chance this time to reach Indian city (7)
  - Smack of partiality when student gets in (7)
  - Brother's caught while causing uproar (6)
  - A Hindu leader in one party state (5)



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